

# MARKETING & MEDIA **Decisions**

C2950-3

11/15/82

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# FUTURES

## Direct broadcast satellite to be big business dish

As many as 15 million rooftop home earth stations for DBS reception are predicted by 1990 in a 187 page report researched by International Resource Development, Norwalk, Conn.

The base will be made up of six million from rural homes, another three million homes not passed by cable, three million non-subscriber cable homes, and three million cable subscriber homes.

In the pre-1986 time period, rooftop earth stations will be approximately two to three meters in size and will be used primarily by apartment buildings to receive low power Ku band broadcasts. The post 1986 market will be spurred by the launch of the high power DBS satellites (14/12 GHz) which will enable the rooftop terminal to be reduced to three quarters to one and one quarter meter size. These dishes will appeal to single family users and cost between \$300 and \$500 by 1990.

The report indicates that for DBS system applicants, the future looks good for STC, RCA, Western Union and CBS but only fair for the others.

This outlook is based on the belief that the pre-1990 subscriber base won't be able to support more than four or five dedicated direct broadcast systems. The carriers will be in an excellent position because they will probably be able to accommodate programming that was initially intended for those systems that aren't implemented or that subsequently fail in operation. IRD predicts that only two out of the present broadcast applicants will have a good chance of success, Satellite Television Corp., a subsidiary of Comsat, and CBS.

"The others may have to revise their plans and end up 'piggybacking' on one of the common carrier satellites.



(SOURCE: INTERNATIONAL RESOURCE DEVELOPMENT INC.)

They might do well to reconsider their strategies now, when the \$500 million they plan to spend is still on paper and in their pockets," the report suggests.

The companies alluded to include: Focus Broadcast Satellite Company, Graphic Scanning Corp., Video Satellite Systems, United States Satellite Broadcasting Co.

The report is priced at \$985.

## Simmons to study college market

SMRB is currently pre-testing the questionnaire for its first syndicated study of the college market. A multi-stage national probability sample of full-time college students will be drawn. Interviewing starts in February and runs for two months. Delivery is anticipated for early June.

Data will be collected on magazine preferences, campus newspaper readership, daily and Sunday newspaper readership, radio listening, television viewing, in dayparts, pur-

chase and use of approximately 600 products, student awareness of specified corporations as well as perceptions, social attitudes, self image and buying styles, and demographics.

## Tv programing for the hard-of-hearing

Television programing specifically for deaf and hearing impaired audiences makes its debut on cable in January. The material is being originated by The Silent Network, which has been producing programing for the Los Angeles market. Programing consists of original first-run shows which make use of sign language by participants, as well as captioning and voice.

Vice president Richard Citron says, "We're offering advertisers a virtually untapped market of 22 million people spread across the complete spectrum of the country." Executive producer and president Sheldon Atfeld says, "Discussions are being held with a number

Continued on page 30

of key corporations to sponsor major segments of the initial 15 weekly hours of original programming being offered. We're looking at expansion to a full 24 hours in the near future."

## Hispanic population growth projected

Between 23 and 27 million Hispanics in the U.S. are predicted by the year 2000 in a report from the Center for Continuing Study of the California Economy. According to Stephen Levy, Ruth Tebbets and Fred Brousseau, who wrote the report, "More than half the U.S. population growth in the next two decades will come from minority groups." Hispanics alone will account for 25% of the nation's growth. The non-Hispanic white population, which made up 80% of the total U.S. population in 1980 will account for a little less than half the projected increase. But whites will still make up 75% of the population by 2000.

The center assumes that net illegal Hispanic immigration will range from 35,000 to 132,000 annually, but could run as high as 500,000 annually.

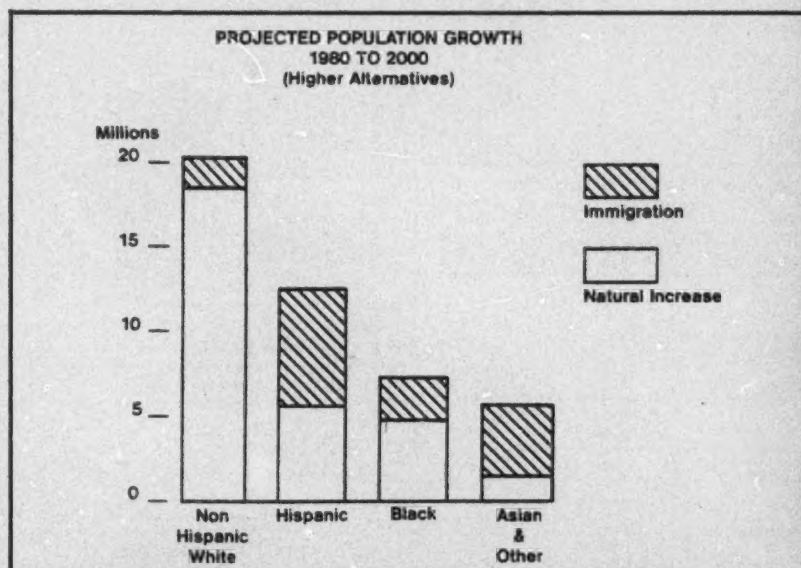
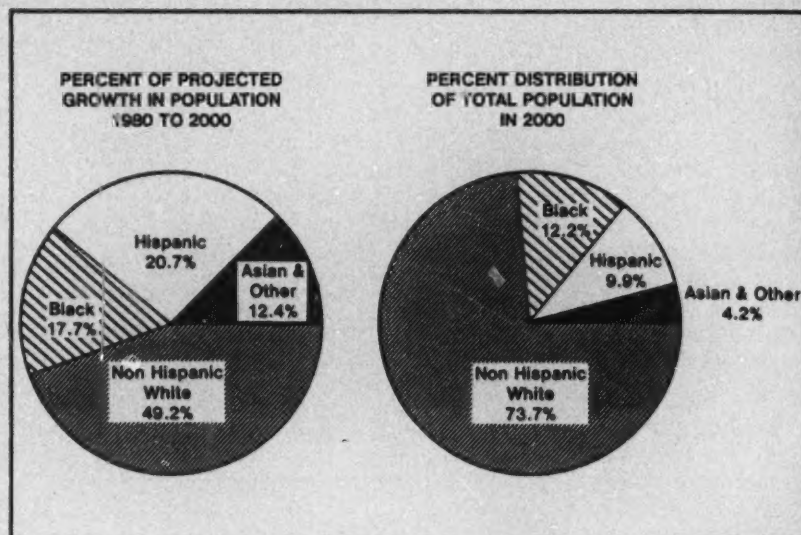
People of Mexican origin will comprise over 60% of the U.S. Hispanic population in 2000. Another 20% will come from Central and South America.

Total U.S. population by the end of the century is projected between 267 and 272 million, higher than the U.S. Census Bureau figures. This reflects the higher than expected 1980 census count and somewhat higher immigration assumptions.

## High acceptance seen for videotex

Videotex as a consumer staple popped over the horizon again in September, as CBS and AT&T unveiled their joint facility in Fair Lawn, N.J. and displayed just what their interactive system is capable of doing in a two hundred home test in Ridgewood, N.J.

While CBS and AT&T decline to



comment on what the test is costing them, published reports suggest up to \$5 million for CBS, and \$10 million for AT&T. Neither party has skimped in outfitting this operation.

CBS is generating all service content while AT&T is providing home terminals, adaptors, computer and interface software and specialized data entry terminals.

Eighty national advertisers, 20 retailers, and direct marketers, a bank consortium, two individual banks and numerous restaurants are participating

in the test and will be provided with complete data results.

Three basic types of advertising have been developed for the trial: awareness, transactional and informational. An awareness ad is a billboard message that runs adjacent (side or bottom) to the editorial information requested. A transactional ad consists of a full page of information about one of several products followed by an electronic order form. An informational ad is one that informs about the product and includes advice on how to use it.

# The Nielsen of tv efficiency?

**Dave Vadehra (below) of Video Storyboard Tests has developed a three-step method of rating tv cost efficiency. He divides media expenditures by recall scores to produce an awareness cpm for competing brands. Vadehra expects his research technique to make some friends as well as ruffle some feathers.**

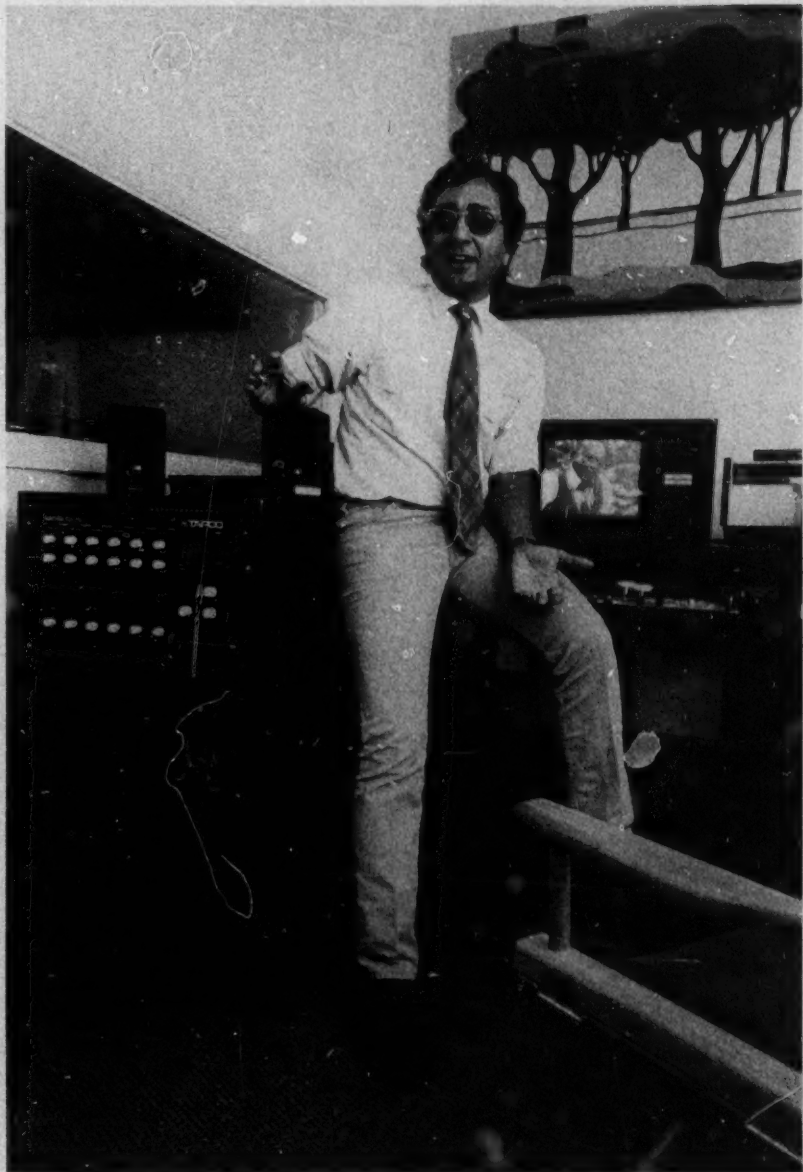
**D**ave Vadehra is doing his damndest to put agencies in the hot seat.

And, if his Campaign Monitor happens to ruffle some feathers and cause an outbreak of gray flannel indigestion — well, so much the better. As far as Vadehra's concerned, that'll just confirm the need for his brainchild in advertising's wonderful world of numbers neurosis.

Campaign Monitor is Vadehra's recently-developed, bare bones acid test of tv campaign cost efficiency: Its bottom line is a cpm in different clothing. Instead of computing cost-per-thousand on the basis of reach, Campaign Monitor cranks-out its cpm's using recall.

Vadehra's research concept, if one catches the drift, presupposes that degree of awareness is a better scale for measuring advertising effectiveness than audience size. But if the drift somehow sidesteps your brain, then Vadehra is more than glad to explain why awareness is deserving of the attention lavished upon it by Campaign Monitor. "The role of tv advertising in generating sales is much less direct than the role of tv advertising in generating awareness," he says. When you plunk down ad bucks, you're allegedly buying product awareness, which, in turn, will generate sales.

To uncover how much awareness value an advertiser's getting for its money, Campaign Monitor uses only two variables as its dip sticks: recall and media expenditures. It follows that established brands and high frequency media schedules automatically give





## Cost efficiency of selected tv campaigns — 2nd Qtr. 1982

|                       | Average weekly retained impressions* | Average weekly television expenditure** | Cost per 1000 retained impressions |                                 | Average weekly retained impressions* | Average weekly television expenditure** | Cost per 1000 retained impressions |
|-----------------------|--------------------------------------|-----------------------------------------|------------------------------------|---------------------------------|--------------------------------------|-----------------------------------------|------------------------------------|
|                       | (millions)                           | (000)                                   |                                    |                                 | (millions)                           | (000)                                   |                                    |
| <b>Soft drinks</b>    |                                      |                                         |                                    | <b>Fast food restaurants***</b> |                                      |                                         |                                    |
| Coca-Cola             | 84.2                                 | \$ 923                                  | \$10.96                            | McDonald's                      | 95.8                                 | \$1446                                  | \$15.09                            |
| Pepsi                 | 82.4                                 | 1363                                    | 16.54                              | Burger King                     | 57.9                                 | 481                                     | 8.31                               |
| Dr Pepper             | 36.6                                 | 442                                     | 12.08                              | Wendy's                         | 25.5                                 | 242                                     | 9.49                               |
| 7-Up                  | 48.5                                 | 515                                     | 10.62                              |                                 |                                      |                                         |                                    |
| Mountain Dew          | 16.6                                 | 277                                     | 16.69                              | <b>Diapers</b>                  |                                      |                                         |                                    |
| Tab                   | 18.6                                 | 344                                     | 18.49                              | Huggies                         | 7.8                                  | \$ 268                                  | \$34.36                            |
| Shasta                | 10.1                                 | 116                                     | 11.49                              | Luvs                            | 11.3                                 | 347                                     | 30.71                              |
|                       |                                      |                                         |                                    | Pampers                         | 10.7                                 | 261                                     | 24.39                              |
| <b>Analgesics</b>     |                                      |                                         |                                    | <b>Cameras</b>                  |                                      |                                         |                                    |
| Anacin                | 45.9                                 | \$ 819                                  | \$17.84                            | Kodak                           | 62.1                                 | \$1676                                  | \$26.99                            |
| Bufferin              | 22.3                                 | 163                                     | 7.31                               | Polaroid                        | 35.9                                 | 753                                     | 20.95                              |
| Excedrin              | 23.2                                 | 141                                     | 6.08                               | Minolta                         | 8.0                                  | 299                                     | 37.38                              |
| Bayer                 | 25.4                                 | 165                                     | 6.50                               | Canon                           | 18.9                                 | 356                                     | 18.83                              |
| Tylenol               | 60.4                                 | 844                                     | 13.97                              |                                 |                                      |                                         |                                    |
| <b>Automobiles***</b> |                                      |                                         |                                    |                                 |                                      |                                         |                                    |
| Chevrolet             | 42.7                                 | \$1316                                  | \$30.82                            |                                 |                                      |                                         |                                    |
| Ford                  | 50.9                                 | 2172                                    | 42.67                              |                                 |                                      |                                         |                                    |
| Chrysler              | 33.6                                 | 1128                                    | 33.57                              |                                 |                                      |                                         |                                    |
| Datsun                | 33.3                                 | 454                                     | 13.63                              |                                 |                                      |                                         |                                    |
| Toyota                | 34.8                                 | 993                                     | 28.53                              |                                 |                                      |                                         |                                    |

\* Source: VST/Campaign Monitor

\*\* Source: B.A.R.

\*\*\* Not including dealer/franchisee associations

campaigns a better chance of looking good in Campaign Monitor's score column. At first blush — and maybe second as well — the whole technique appears to be simply, uh, simple.

Since late 1981, Vadehra and his New York-based firm, Video Storyboard Tests, have conducted quarterly interviews with a national sample of 1,000 adult tv viewers to determine campaign awareness in 25 product categories. Aided and unaided recall results are then projected among the nation's entire adult population to generate "average weekly retained impressions."

The rest of the procedure is purely clerical. Average weekly tv expenditures are tabulated with figures obtained from Broadcast Advertiser Reports (BAR). These are then divided by 1/1000th of the average weekly retained impressions. The resulting "CPM retained impressions" (see box on this page for example), says Vadehra, allow him to "put a dollar figure on what advertisers are really getting from their agencies' efforts."

Of course, Vadehra's index is only meaningful in the context of comparison with competing brands. So, to make his research technique more than just another pretty face, he has been

tracking more than 200 brands in his universe of 25 product categories.

Vadehra makes no pretenses about Campaign Monitor being a report card of agencies' media and creative resourcefulness. But what irks agency executives is Vadehra's strategy of selling the service directly to their clients. In most cases, Campaign Monitor paints a less-than-flattering picture of a shop's ability to maximize an advertising investment.

"For every one good piece of news that I bring, there are eight bad ones," reports India-born Vadehra. Behind Polarized eyeglasses, his eyebrows seem to leap for joy as he says this. After all, Campaign Monitor — according to Vadehra's schematic — is designed for advertisers who want to be alerted when there's bad news so they can nip it in the bud.

"What is supposed to happen is an advertiser will use this service to find out from its agency why a campaign isn't doing as well as the other guy's," Vadehra says.

Campaign Monitor is still quite a bit away from causing widespread agency paranoia. Vadehra figures he'll have eight to ten subscribers by the end of the year. Not surprisingly, the list is not expected to include an agency.

Video Storyboard Tests, which Vadehra founded in 1975 after stints as a cinematographer and film booker, specializes in testing and producing rough tv commercials. Ironically, a healthy chunk of his business has come from the ad agencies he's now proposing to open to executional scrutiny.

Campaign Monitor, says Vadehra, is an outgrowth of his company's annual list of 25 outstanding tv campaigns. Based on 15-20,000 recall interviews a year, the list was launched in 1978 as a publicity ploy for Video Storyboard Tests. But it ultimately gave Vadehra other ideas.

"A couple of years ago, my list of outstanding campaigns was becoming fairly popular. A lot of people were aware of it and I was getting very good exposure in the trade press. But, over and over again, everybody would say that the outstanding campaigns are strictly big media budget accounts. And, over and over again, I would tell them that an exceptional campaign with a small budget can break into it. But the criticism continued to be leveled against me. So I started thinking about how I could combine what people remember about commercials and what the advertiser spent on

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them," recalls Vadehra, "in order to better satisfy my clients."

Campaign Monitor's bottom line, he notes, is providing a quick fix on a tv campaign's "intrusiveness", which, in turn, is a byproduct of media or creative efficiency.

"It's very hard to penetrate your audience with a commercial because there are so many of them being aired. Every person, in fact, can see up to 80 commercials a day.

"So I'm dealing with perceptions of what people really remember. This is what Campaign Monitor is tracking. It's tracking the money you, as an advertiser, spend against what viewers think they can remember and how your campaign can change the image of your brand," Vadehra observes.

In addition to quarterly listings of cpm retained impressions, Campaign Monitor subscribers are also fed quarterly reports of attitudinal shifts.

Since recall and media outlays are both variables, either element can be adjusted to rack-up a rosier-looking cpm retained impressions score. Several strategies exist on the media side according to Vadehra.

"If you want to get the same level of awareness as somebody else and your campaign isn't inherently memorable, then the only way you'll reach that level is by spending more money on media," he says.

Then again, a crummy cpm score could be a warning that there's something wrong with the composition of the media schedule, not its magnitude. "You really have to look at whether your competition's doing something different in terms of his media mix than you are. If he's spending all of his money on network and you're buying spot, that could be one of the factors," adds Vadehra.

The ideal situation over a four-month reporting period, Vadehra says, is when you have an established, high recall campaign that's flighted. A relatively modest media budget divided by lots of retained impressions equals a low cpm for awareness.

In the case of introductory campaigns, however, advertisers have to bite the bullet because they're dealing

with unrecognized brands. "With a new campaign, you're really investing in the future and hoping that it'll generate a high level of awareness for you," says Vadehra.

While media has a direct bearing on cpm retained impressions, Vadehra thinks the spotlight should really be trained on a campaign's creative ingredients. "I genuinely try to under-



**Campaign Monitor, says Vadehra, looks "at the very basics of advertising instead of the extremely sophisticated way we're used to."**

play media efficiency because the assumption is that all major advertisers are doing their best to buy the most efficient media," he says.

Although it has tracked biggies like Coca-Cola, Chevy, Levi's, McDonald's, Kodak and Budweiser on an unsolicited basis during its first year of existence, Campaign Monitor is being pitched to companies that fall into the "blue chiplet" category. "I think it will be most useful for medium to smaller advertising budgets because major advertisers do their own tracking. The small to medium advertiser doesn't really keep track of what's happening from quarter to quarter," Vadehra explains.

He's already talking about enhancing his service by upping the quarterly sample size from 1,000 to 2,000 and getting into regional brand tracking. But that doesn't mean Vadehra's antsy about the soundness of Campaign

Monitor. "I think I'm past the trial and error stage," he says.

In the meantime at agencies like Young & Rubicam, Grey and Doyle Dane Bernbach — all of which are reportedly putting together position papers on Campaign Monitor, the jury is still out. Research execs at those three shops refuse to comment, citing either insufficient information or confidentiality.

Vadehra attributes the agencies' silence to the simplicity of Campaign Monitor. "There's a saying that 'the simpler the argument, the more complicated it is to disagree with it.' And that's what we are really doing. It's such a simple concept that they have to come up with some very complicated reasons why it doesn't work."

Prod a little more and Vadehra suggests that there are also wounded prides to be reckoned with. "It really boils down to agencies asking themselves: 'why didn't I do this first?' And the reason they didn't come up with this idea before is because they're too fragmented.

"What happens is media people don't know what the research people are doing, the research people don't know what their own people are doing, and the creative people don't know anything about anything else. So just putting the two fields (creative & d media) together in one equation is almost impossible for an agency," Vadehra notes.

"I think Campaign Monitor will be fairly controversial because it's really looking at the very basics of advertising instead of the extremely sophisticated way we're used to."

While one may picture Vadehra's future days filled with hunger pangs for juicy statistics, his cravings are actually wrapped in celluloid. The man who had a hand in producing six national spots for Converse sneakers wants to get back into making movies. "When I first got involved in Video Storyboard Tests, that was definitely the aim. I was going to see how far I could go," he says.

Personal goals aside, Vadehra has some definite ideas about how far he wants his company to go. "I like to think that one day it'll become a real Nielsen of tv commercials."

*Steve Raddock*

# 1982 MRI: larger audiences than SMRB



**New magazine audience counts of Timothy Joyce and Alain Tessier of MRI (above left and right) are much higher than those reported recently by Frank Stanton of SMRB. Joyce says this should be expected because of differences in methodology. He blames the recession for readers-per-copy and total audience drop of 7% in books measured in '81 and '82.**

## Magazine total adults in 1982

|                             | 1982 MRI                       |                       |                  | 1982 SMRB                      |
|-----------------------------|--------------------------------|-----------------------|------------------|--------------------------------|
|                             | Total adult audience (add 000) | Circulation (add 000) | Readers per copy | Total adult audience (add 000) |
| Air Group One (GR)          | 3,930                          | 1,018                 | 3.86             | —                              |
| American Baby               | 2,660                          | 992                   | 2.68             | —                              |
| Architectural Digest        | 2,454                          | 514                   | 4.77             | —                              |
| Atlantic Monthly            | 1,362                          | 347                   | 3.93             | —                              |
| Baby Talk                   | 2,261                          | 863                   | 2.62             | —                              |
| Barron's                    | 1,178                          | 264                   | 4.46             | 874                            |
| Better Homes & Gardens      | 34,231                         | 8,034                 | 4.26             | 21,045                         |
| Bon Appetit                 | 4,186                          | 1,254                 | 3.34             | 2,987                          |
| Bride's Magazine            | 3,673                          | 332                   | 11.06            | —                              |
| Business Week               | 5,269                          | 768                   | 6.86             | 4,173                          |
| Car & Driver                | 3,373                          | 685                   | 4.92             | 2,658                          |
| Car Craft                   | 2,039                          | 373                   | 5.47             | —                              |
| CBS Spec. Interest Grp (GR) | 10,372                         | 1,610                 | 6.44             | —                              |
| Changing Times              | 5,299                          | 1,478                 | 3.59             | 2,741                          |
| Chicago                     | 847                            | 233                   | 3.64             | —                              |
| Colonial Homes              | 2,290                          | 567                   | 4.04             | —                              |
| Conde Nast Package (GR)     | 27,322                         | 5,497                 | 4.97             | 16,653                         |
| Cosmopolitan                | 12,696                         | 2,602                 | 4.88             | 9,596                          |
| Country Living              | 2,914                          | 655                   | 4.45             | 1,854                          |
| Cuisine                     | 2,949                          | 735                   | 4.01             | 1,726                          |
| Cycle World                 | 2,737                          | 325                   | 8.42             | 2,228                          |
| Decorating & Craft Ideas    | 4,949                          | 733                   | 6.75             | 2,410                          |
| Discover                    | 2,938                          | 812                   | 3.62             | 1,674                          |
| Dun's Business Month        | 694                            | 256                   | 2.71             | —                              |
| E/W Domestic Inflight (GR)  | 6,644                          | 1,279                 | 5.19             | —                              |
| Ebony                       | 7,835                          | 1,259                 | 6.22             | 6,851                          |
| Esquire                     | 4,400                          | 667                   | 6.60             | 2,345                          |
| Essence                     | 2,920                          | 700                   | 4.17             | 2,697                          |
| Family Circle               | 28,304                         | 6,836                 | 4.14             | 18,033                         |
| Family Food Garden          | 1,757                          | 341                   | 5.15             | —                              |
| Family Handyman             | 4,633                          | 1,114                 | 4.16             | 3,134                          |
| Family Weekly               | 20,239                         | 12,283                | 1.65             | 25,520                         |
| Field & Stream              | 13,871                         | 1,993                 | 6.96             | 8,023                          |
| Food & Wine                 | 1,432                          | 354                   | 4.05             | —                              |
| Forbes                      | 2,765                          | 733                   | 3.77             | 2,123                          |
| Fortune                     | 3,520                          | 611                   | 5.76             | 2,666                          |
| Forum                       | 2,682                          | 464                   | 5.78             | —                              |
| 4 Wheel & Off Road          | 2,379                          | 196                   | 12.14            | —                              |
| Glamour                     | 8,827                          | 1,922                 | 4.59             | 5,754                          |
| Golf Digest                 | 3,301                          | 979                   | 3.37             | 2,157                          |
| Golf Magazine               | 2,665                          | 691                   | 3.86             | 1,833                          |
| Golf Magazine/Ski (GR)      | 5,125                          | 1,076                 | 4.76             | 3,727                          |
| Good Housekeeping           | 28,684                         | 5,101                 | 5.62             | 17,765                         |
| Gourmet                     | 2,556                          | 557                   | 4.59             | —                              |
| GQ (Gentlemen's Quarterly)  | 3,106                          | 473                   | 6.57             | 2,093                          |

Source: 1982 MRI and 1982 SMRB. Included in SMRB list on page 00, October Decisions but not in list above: CBS Mag. Ntwk.; Dec. & Craft/So. Living; Golf Digest/Tennis; Hearst Mag. Corp.; L.A. Times Home Mag.; Monthly Mag. Food & Wine; Natl. Supp. Pkg.; Working Mother. Blanks not in SMRB pocketpiece.



Timothy Joyce of Mediamark Research, Inc. dropped the other shoe in the magazines audience drama last month when he came out with his MRI Fall '82 Report.

The data comes from 20,000 personal interviews made in MRI's sixth

and seventh surveys in Spring and Fall 1982. Included are total audiences and readers-per-copy, plus several volumes and tapes of demographic and product use information on readers of 159 consumer magazines. Of these, 129 magazines were measured in all

seven waves, starting in Fall 1979.

Comparisons can, of course, be made of magazine audiences between surveys. Joyce makes a point of the fact that his method has remained the same for all seven waves, and welcomes such comparisons.

Continued on page 112

## MRI and 1982 SMRB

|                             | 1982 MRI                       |                       |                  | 1982 SMRB                      |
|-----------------------------|--------------------------------|-----------------------|------------------|--------------------------------|
|                             | Total adult audience (add 000) | Circulation (add 000) | Readers per copy | Total adult audience (add 000) |
| Grit                        | 2,375                          | 663                   | 3.58             | —                              |
| Guns & Ammo                 | 4,721                          | 483                   | 9.77             | —                              |
| Harper's Bazaar             | 2,857                          | 626                   | 4.56             | 3,150                          |
| Harper's Magazine           | 1,397                          | 310                   | 4.51             | —                              |
| Health                      | 3,759                          | 875                   | 4.30             | 2,321                          |
| Hearst Men's Magazines (GR) | 20,780                         | 2,537                 | 8.19             | 10,977                         |
| Hot Rod                     | 4,839                          | 759                   | 6.38             | —                              |
| House Beautiful             | 7,720                          | 851                   | 9.07             | 4,492                          |
| Hunting                     | 2,467                          | 241                   | 10.24            | —                              |
| Industry Week               | 1,082                          | 299                   | 3.62             | 714                            |
| Inside Sports               | 4,891                          | 548                   | 8.93             | 3,292                          |
| Jet                         | 5,746                          | 677                   | 8.49             | 6,057                          |
| Ladies' Home Journal        | 20,425                         | 5,297                 | 3.86             | 13,961                         |
| LHJ Family Group Combo (GR) | 28,821                         | 7,317                 | 3.94             | 19,054                         |
| Life                        | 14,649                         | 1,345                 | 10.89            | 9,402                          |
| Los Angeles                 | 942                            | 166                   | 5.67             | —                              |
| Mademoiselle                | 4,753                          | 1,112                 | 4.27             | 3,690                          |
| McCall's                    | 22,173                         | 6,286                 | 3.53             | 15,142                         |
| Mechanix Illustrated        | 7,129                          | 1,591                 | 4.48             | 4,661                          |
| Metro Sunday Comics         | 29,343                         | 24,162                | 1.21             | —                              |
| Metropolitan Home           | 1,413                          | 737                   | 1.92             | 1,120                          |
| Modern Bride                | 2,611                          | 309                   | 8.45             | —                              |
| Money                       | 6,027                          | 1,072                 | 5.62             | 3,646                          |
| Mother Earth News           | 4,627                          | 1,069                 | 4.33             | —                              |
| Motor Boating & Sailing     | 1,191                          | 133                   | 8.95             | —                              |
| Motor Trend                 | 3,845                          | 736                   | 5.22             | —                              |
| Ms.                         | 2,115                          | 473                   | 4.47             | 1,306                          |
| National Enquirer           | 19,558                         | 4,444                 | 4.40             | 15,623                         |
| National Geographic         | 29,144                         | 8,556                 | 3.41             | 20,566                         |
| National Lampoon            | 3,428                          | 434                   | 7.90             | —                              |
| Nations Business            | 1,817                          | 1,075                 | 1.69             | —                              |
| Natural History             | 1,605                          | 463                   | 3.47             | 1,116                          |
| Newsweek                    | 21,570                         | 2,965                 | 7.27             | 16,345                         |
| New Woman                   | 3,176                          | 1,097                 | 2.90             | —                              |
| New York Magazine           | 1,232                          | 437                   | 2.82             | 1,198                          |
| New York Times (daily)      | 3,173                          | 919                   | 3.45             | 3,035                          |
| New York Times Magazine     | 3,900                          | 1,484                 | 2.63             | 3,944                          |
| The New Yorker              | 2,412                          | 480                   | 5.03             | 2,344                          |
| Omni                        | 5,327                          | 623                   | 8.55             | 2,833                          |
| 1,001 Home Ideas            | 4,637                          | 1,145                 | 4.05             | 2,772                          |
| Organic Gardening           | 5,338                          | 1,285                 | 4.15             | 2,911                          |
| Oui                         | 3,032                          | 570                   | 5.32             | 1,705                          |
| Outdoor Life                | 8,353                          | 1,476                 | 5.66             | 5,047                          |
| Parade                      | 43,175                         | 21,756                | 1.98             | 43,573                         |
| Parents' Magazine           | 8,069                          | 1,622                 | 4.97             | 3,938                          |
| Penthouse                   | 10,173                         | 3,304                 | 3.08             | 6,587                          |
| Penton/IPC Mgmt Netwk (GR)  | 9,823                          | 1,080                 | 9.10             | —                              |
| People                      | 24,604                         | 2,371                 | 10.38            | 19,403                         |
| Petersen Action Group (GR)  | 27,805                         | 3,824                 | 7.27             | —                              |
| Pickup Van & 4 WD           | 1,886                          | 230                   | 8.20             | —                              |

|                          | 1982 MRI                       |                       |                  | 1982 SMRB                      |
|--------------------------|--------------------------------|-----------------------|------------------|--------------------------------|
|                          | Total adult audience (add 000) | Circulation (add 000) | Readers per copy | Total adult audience (add 000) |
| Playboy                  | 18,364                         | 4,477                 | 4.10             | 11,134                         |
| Playgirl                 | 3,419                          | 590                   | 5.79             | —                              |
| Popular Hot Rodding      | 2,195                          | 245                   | 8.96             | 2,373                          |
| Popular Mechanics        | 10,595                         | 1,548                 | 6.84             | 6,197                          |
| Popular Science          | 7,553                          | 1,626                 | 4.65             | 4,585                          |
| Prevention               | 7,255                          | 2,382                 | 3.05             | 4,114                          |
| Psychology Today         | 5,544                          | 1,157                 | 4.79             | NA                             |
| Puck                     | 21,487                         | 17,695                | 1.21             | —                              |
| Reader's Digest          | 54,333                         | 18,310                | 2.97             | 39,066                         |
| Redbook                  | 15,619                         | 4,314                 | 3.62             | 8,679                          |
| Road & Track             | 3,475                          | 581                   | 5.98             | 2,666                          |
| Rolling Stone            | 5,067                          | 715                   | 7.09             | 4,021                          |
| Runner's World           | 2,220                          | 334                   | 6.65             | 986                            |
| Saturday Evening Post    | 5,590                          | 617                   | 9.06             | 2,209                          |
| Science Digest           | 2,900                          | 461                   | 6.29             | 1,291                          |
| Science 82               | 2,188                          | 752                   | 2.91             | 1,451                          |
| Scientific American      | 2,921                          | 564                   | 5.18             | 1,883                          |
| Self                     | 3,079                          | 1,031                 | 2.99             | 2,310                          |
| Seventeen                | 5,498                          | 1,386                 | 3.97             | 3,110                          |
| Ski                      | 2,460                          | 385                   | 6.39             | 1,894                          |
| Smithsonian              | 7,335                          | 1,956                 | 3.75             | 4,520                          |
| Soap Opera Digest        | 5,133                          | 592                   | 8.67             | 3,372                          |
| Southern Living          | 7,971                          | 2,063                 | 3.86             | 4,956                          |
| Sport                    | 5,578                          | 940                   | 5.93             | 3,734                          |
| The Sporting News        | 2,492                          | 461                   | 5.41             | 1,848                          |
| Sports Afield            | 7,285                          | 528                   | 13.80            | 3,489                          |
| Sports Illustrated       | 15,716                         | 2,415                 | 6.51             | 13,248                         |
| The Star                 | 10,165                         | 3,388                 | 3.00             | 10,348                         |
| Sunday Mag/Net           | 46,710                         | 22,125                | 2.11             | 47,382                         |
| Sunset                   | 5,089                          | 1,409                 | 3.61             | 3,464                          |
| Tennis                   | 1,520                          | 458                   | 3.32             | 1,071                          |
| Texas Monthly            | 1,328                          | 296                   | 4.49             | —                              |
| Time                     | 24,085                         | 4,532                 | 5.31             | 20,699                         |
| Town & Country           | 1,987                          | 293                   | 6.78             | 1,203                          |
| Travel & Leisure         | 3,032                          | 909                   | 3.34             | 1,863                          |
| Travel/Holiday           | 1,795                          | 775                   | 2.32             | —                              |
| True Story               | 5,561                          | 1,451                 | 3.83             | 3,732                          |
| TV Guide                 | 47,236                         | 17,784                | 2.66             | 36,334                         |
| U.S. News & World Report | 9,971                          | 2,106                 | 4.73             | 9,259                          |
| Us                       | 4,702                          | 1,038                 | 4.53             | 3,582                          |
| Vogue                    | 6,990                          | 1,100                 | 6.35             | 4,858                          |
| Wall Street Journal      | 4,740                          | 2,008                 | 2.36             | 6,291                          |
| Weight Watchers          | 3,963                          | 710                   | 5.58             | —                              |
| Woman's Day              | 25,792                         | 6,631                 | 3.89             | 15,825                         |
| Working Woman            | 2,244                          | 489                   | 4.59             | 1,088                          |
| World Tennis             | 1,048                          | 363                   | 2.89             | 614                            |
| Ziff-Davis Network (GR)  | 18,155                         | 3,324                 | 5.46             | 12,156                         |

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"Although we have a complete compliment of seven stations, we had for several years been exploring the possibility of getting outlets in the top 10 markets. We pursued that with KRON in San Francisco and were successful. And because of the FCC, we are forced to sell the *Oakland Tribune*, although we were making great progress," he said.

Gannett must divest itself of the *Tribune* when the licenses are transferred, which may take 4-6 months.

Elsewhere in electronic communications, Neuharth is taking a supplier's point of view rather than emphasizing system ownership. After an initial fascination with cable, Gannett got out of the cable systems business.

"We're out of the hardware end of cable," Neuharth says. "We have no systems but we are in software, provide programs and have production companies. There is a future in cable but hardware costs too much."

Neuharth also has an eye on direct broadcast satellite transmission as a medium of great future potential. "If direct satellite to home transmission becomes a mass means to deliver programming, what do you do with all of those obsolete cable systems?" he asks. Neuharth has no desire to be in the secondhand copper wire business.

He is also dubious about the consumer future of videotex and teletext. "We've looked at it closely over a period of several years, and it's an intriguing way of exchanging news and information. So far, no one has demonstrated that it is a financially viable medium. I doubt that it is near-term enough, or that consumers will be willing to pay enough to play with it. Our judgment is that interactive videotex isn't likely in the near future."

But despite his skeptical view of videotex, Neuharth sees the key to the communications future as being technical. "The trends for the future are here now and they will continue. The overriding thing is technical, how to provide consumers with what they want, where and when they want it."

The most important technical element is the satellite. "It can deliver a mass audience in electronic media or in print, and that is the single biggest force at work. It will revolutionize print."

Fred Gardner

### MRI (from 75)

The method used is logo recognition on a sorting board in personal interviews that are standardized to prevent interviewer variation.

The total magazine audience to all 159 magazines in MRI '82 is 928,000,000, developed from a circulation of 218,000,000 times a readers-per-copy figure of 4.3.

The 129 magazines measured in all the surveys since Fall 1979 have almost the same circulation in Fall 1982 — moving up from 198,000,000 to 201,000,000 in Fall 1980 — then back to 199,000,000 in Fall 1982. But readers-per-copy has fallen from 5.0 to 4.3 during the period — and total audience from 981,000,000 to 855,000,000 (down 15% since 1979).

Total audiences in Fall 1982 compared to a year earlier are -4% for 33 dual audience books, -8% for 52 male oriented books, -9% for 38 female oriented books, MRI reports. The national tabloids are up 12%; the news magazines off 3%; automotive books off 18%; business books up 3%, Joyce reports. He shrugs, and blames most of the changes on the recession, lower newsstand sales, and a troubled automotive market.

He shows women's service books measured in Fall 1982 vs. Fall 1981 as off 10%; epicurean books up 7%; fashion/beauty off 6%.

Comparisons of MRI with the recently released figures for SMRB show MRI running ahead of SMRB in the majority of total counts — as was the case in previous years. Joyce says this is the result of his logo recognition methodology which produces higher recall among out-of-home readers.

The table on page 74 gives the top-line figures for total audiences in MRI Fall 1982, readers-per-copy, and circulation. We have added total audience reported in Fall 1982 by SMRB for those books measured by both services. For more on the SMRB results see *Decisions* for October page 182.

MRI now offers a broad range of product data (recorded for a full year), demographic breaks and usage of other media. A separate volume carries the data for the New York market only (a new service). ■

Brand report 81:

# Cigarettes

**After record expenditures of close to \$1 billion, cigarette advertising plateaued this year. But despite a decline in new brands and line extensions, the total continues to climb. Cigarette companies, hard pressed to find new areas for expansion, are adding revival of old brands to their arsenal of marketing.**

In retrospect, 1981 was the year of the great leap forward.

The leap was not in expanded cigarette sales but in advertising expenditures and brand introductions, which soared close to the \$1 billion mark if not exceeding it. Trackable cigarette media expenditures last year escalated to \$908 million from \$775 million the previous year.

Spending levels for 1982, if the first quarter is a reliable criterion, are keeping pace with 1981 and exceeding it slightly, even though the big spender

last year, Barclay, is investing at more conservative levels.

While BATC is adjusting its expenditures for Barclay, Philip Morris is picking up the slack with its omnipresent introduction.

Even though the cigarette industry spends at a \$1 billion annual rate, it continues to look over its shoulder as legislators threaten to demand stricter and larger health warnings on packages and in advertising. Skirmishes on the health issue continue to harass the industry. To most consumers, the industry's high-powered marketing efforts invested in new low-tar brands speaks more convincingly about the



## Media expenditures in 1981 of leading cigarette brands

| Brand                              | Total        | Magazines    | Supps       | Newspapers   | Outdoor      |
|------------------------------------|--------------|--------------|-------------|--------------|--------------|
| Merit (Philip Morris)              | \$75,228,000 | \$20,747,000 | \$3,568,000 | \$38,133,000 | \$12,780,000 |
| Winston (R. J. Reynolds)           | 67,655,000   | 20,545,000   | 2,919,000   | 29,171,000   | \$15,020,000 |
| Marlboro (Philip Morris)           | 59,356,000   | 27,037,000   | 1,305,000   | 16,731,000   | 14,283,000   |
| Vantage (R. J. Reynolds)           | 58,393,000   | 19,787,000   | 3,680,000   | 28,514,000   | 6,412,000    |
| Kent (Loews)                       | 55,276,000   | 13,257,000   | 7,100,000   | 27,369,000   | 7,550,000    |
| Salem (Reynolds)                   | 48,811,000   | 13,146,000   | 1,913,000   | 22,311,000   | 11,441,000   |
| More (R. J. Reynolds)              | 44,106,000   | 12,607,000   | 2,545,000   | 24,000,000   | 4,954,000    |
| Benson & Hedges<br>(Philip Morris) | 35,871,000   | 19,485,000   | 4,800,000   | 7,032,000    | 4,554,000    |
| Now (R. J. Reynolds)               | 35,002,000   | 12,300,000   | 4,622,000   | 18,025,000   | 55,000       |
| Camel (R. J. Reynolds)             | 34,269,000   | 8,917,000    | —           | 14,566,000   | 10,786,000   |
| Virginia Slims (Philip Morris)     | 31,523,000   | 16,923,000   | 3,308,000   | 6,464,000    | 4,828,000    |
| Carlton (Amer. Brands)             | 30,397,000   | 11,747,000   | —           | 10,321,000   | 8,189,000    |
| Cambridge (Philip Morris)          | 24,542,000   | 7,548,000    | 2,435,000   | 13,382,000   | 1,177,000    |
| Newport (Lorillard)                | 20,310,000   | 6,053,000    | 247,000     | 6,070,000    | 7,940,000    |
| Kool (Brown & Williamson)          | 19,886,000   | 10,167,000   | 1,317,000   | 4,821,000    | 3,581,000    |
| Triumph (Lorillard)                | 17,032,000   | 8,857,000    | 629,000     | 4,340,000    | 3,206,000    |
| True (Lorillard)                   | 15,782,000   | 5,267,000    | 907,000     | 5,409,000    | 4,299,000    |

Sources: LNA, BAR, Media Records.

veracity of the health issue than The Tobacco Institute's rebuttals to inconclusive medical research.

Currently before Congress is a stiffer health warning bill that would require rotating warnings that specify heart disease, lung cancer and emphysema as possible consequences of smoking. The Reagan administration's consumer protection chief, Timothy Muris, says the rotating health warnings pass his cost/benefit test and appears worthwhile.

In a 23 page letter of support, Muris wrote: "We cannot be confident that everyone or even a large fraction of consumers will develop more appropriate risk estimates with rotational warnings. For at least some consumers, however, the rotational warnings are likely to lead to better estimates of the health costs of smoking."

The American Association of Advertising Agencies, The Association of National Advertisers and the American Advertising Federation oppose the rotating warnings plan as an unnecessary burden that is ineffective and costly.

Meanwhile, the American Cancer Society issued a report on results from a 12-year national study which showed that smokers who switch to low tar and nicotine have a sharply reduced risk of smoking-related diseases. Dr. Law-

rence Garfinkel, society director of cancer prevention, observed: "The study shows that overall, low tar and nicotine smokers have a 26% lower lung cancer mortality rate than high tar and nicotine smokers." Less dramatic but significant reductions were found in cancers, coronary heart disease and cirrhosis of the liver.

What could be somber news to cigarette marketers from the study shows that "many people find it easier to quit entirely after they switch to low tar cigarettes. That may be one of the reasons more people are able to give up smoking."

Cigarette manufacturers may find their efforts to produce less hazardous cigarettes are putting them squarely on the path to reducing their own marketplace.

On the marketing front, the most startling phenomenon is the revival of what were considered defunct brands. As an experimental area, cigarettes are disproving some of the long held rules of thumb in marketing and advertising.

When cigarettes were bounced out of broadcast advertising, it was assumed that a new brand couldn't be launched. And it wasn't until 1975 that the myth was disproven with the introduction of 120 mm cigarettes. While those longer cigarettes proved to be a fad, they provided the experience to

get the new low-tar brands off the ground successfully.

The myth that a brand that long ago peaked can't be revived was challenged by R.J. Reynolds. The repackaging of Camel Lights in the old style graphics turned that brand around and moved Camel to fifth place among the top ten sellers.

Now the British American Tobacco Company is making a similar effort with Raleigh, as is American Brands with Lucky Strike low tar filters.

Meanwhile, new product introductions have once again run into hard going. Philip Morris took its Northwinds, a non-menthol cool flavored cigarette, off the market for review, and RJR now has similar product in test.

Lorillard is continuing with what it calls market probes for Rebel, Heritage and Maverick, all in small scale test for over a year, but isn't ready to go national as yet with any of these three brands.

Cigarette marketing and advertising has turned into one of the most sensitive and unpredictable areas of U.S. business. Other industries with similar marketing problems should be watching with avid interest to see just what works in terms of public perception of a controversial product and brands with few tangible distinctions between one and another.

## American Brands

After a decade of gradual decline for its cigarette lines, American Brands is apparently hitting the comeback trail. Last year the company lost another 1.4% in market share. That took the A-B share from its 1970 figure of 19.6% down to 9.4% last year.

In the past year, A-B has been most aggressive in its support for Carlton its ultra-low tar brand. Syndicated data for last year shows a total of \$34.5 million was invested in the brand. Carlton is still not the company's best selling brand, but tops the ultra low tar category.

That distinction belongs to Pall Mall, in its various forms, which still holds a place in the top 10. Last year, Pall Mall was sixth, having been replaced in the number five spot behind RJR's resuscitated Camel.

American Brands has not had good fortune in recent years with new brand introductions. None of them have been able to carve a niche in this fiercely competitive market. So this year, A-B decided to revive a page from its glorious past.

The introduction of Lucky Strike low tar filters, according to public affairs director Robert J. Rukeyser, "is exceeding expectations." He characterizes it as "our most significant introduction since Carlton. The extension has been in research for some time. We find that Lucky Strike is still associated with flavor."

Pre-launch research, Rukeyser says, showed that people in their early 20's knew the brand name and responded favorably to it.

The brand extension was rolled out in Hartford, and Springfield Mass., in May after "four highly successful test market introductions in Spokane, Binghamton, N.Y., Cincinnati and Tampa."

Media for the roll-out includes local editions of national magazines, newspaper and outdoor. Promotional activities include bowling and dart tournaments as well as a strong sampling campaign.

Target audience for the new version of Lucky Strikes, according to Rukeyser, is "the whole demographic spectrum with the 21 - 35 age bracket being the primary focus."

American Brands is hoping to build momentum for dormant Lucky Strike

Creative for the brand has a youthful, sportsman tonality with definite male appeal. The print ads look like cigarette versions of "Miller Time" tv commercial outtakes.

With the slogan, "Lucky Strikes again the moment is right for it," American Brands is hoping a long established but dormant brand can build enough momentum to offset the gradual decline of Pall Mall and Tareyton. And just possibly they too can come back if cigarette smokers show themselves ready to go on a nostalgia kick.

Sales in initial markets have produced shares of between one half and two percentage points, Rukeyser disclosed. Lucky Strike regulars currently hold seven eighths of a share point. If initial results prevail, projected nationally, Lucky Strike would have a larger market share than Barclay.

The campaign for Carlton continues along previous guidelines — typographical statements about low tar content with no lifestyle depictions of having fun while smoking. Two color magazine pages and small newspaper ads dispersed through various sections, as well as big type billboards, form the backbone of the media effort.

Carlton's budget edged up from \$30.4 million in 1980 to \$34.5 million last year. Additional funds went into magazines and outdoor while newspaper spending was slightly curtailed.

## British American Tobacco

When BATC announced in late 1980 that it would spend \$150 million on the introduction of its new, low-tar brand Barclay, there was some incredulity in the industry. But the com-



pany apparently made good its promise. Last year, it outspent all competitors, coming in with its \$96.6 million, \$10 million ahead of Philip Morris' Merit brand. Another \$10 million to \$15 million was probably spent on Barclay in transit advertising, which isn't measured by any syndicated service.

With its extensive sampling program and coupons for free cartons of Barclay, there can be little doubt that BATC spent its extensive dollar allocation.

First quarter reports from Leading National Advertisers and PIB show Barclay's expenditures down to \$12 million from \$18 million the year before. That track indicates Barclay spending will be down by about a third for the year in measured media, coming in at about \$62 million.

Tom Humber, in public affairs at BATF, admits: "It's safe to say that we will continue with the balanced media strategy that we employed on the introduction."

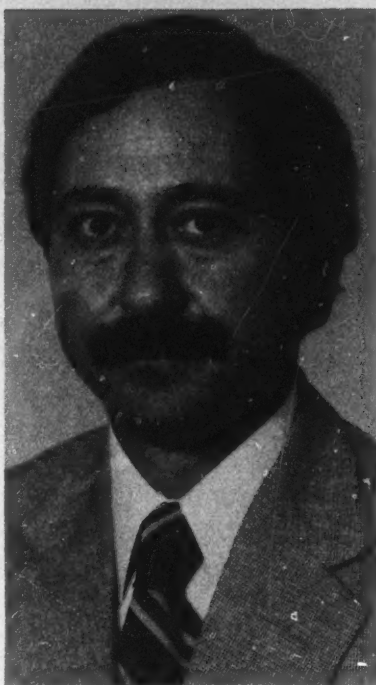
Creative for Barclay continues to emphasize its up-scale appeal with an elegantly tailored fortyish man or thirtyish woman extending a light to an unseen person. The art work invites the viewer to fill in the missing elements.

The appeal is to the over 35 demographic with up-scale pretensions. The question is how many people in this demographic are brand switchers, even if "The pleasure is back"?

For its vast investment, BATC has so far achieved about a 1.2% market share. If the company is disappointed, no one is letting on. But after its unfortunate double introduction of FACT, with its complex low gas content campaign, BATC has decided to hang in with the Barclay venture for a longer period.

Opinion within the industry is divided as to whether BATC overspent in getting Barclay out with a 1.2% market share. Growth for the brand, according to industry sources, has been flat since April.

Considering the problems the company has faced, well informed industry executives believe the move was absolutely necessary if BATC is to survive in the U.S. marketplace. The company had been unable to crack the low tar



**Martin Orłowsky**, group director marketing service for R. J. Reynolds, runs in-house agency.

category previously, and was experiencing share decline with most of its brands.

Moreover, the currency exchange situation made it possible for a level of expenditure that would be difficult for a U.S. company. The consensus is that while such expenditures would be inappropriate for Lorillard or American Brands, it was an acceptable move for BATC.

In addition to establishing the brand, BATC also gave a boost to its sales force with the omnipresence of its advertising, an intangible that is difficult to evaluate in brand share terms.

Payout for the brand may be gradual, but over a period of five to 10 years, most industry executives believe Barclay will prove to have been a sound investment.

Barclay still faces a challenge from the Federal Trade Commission, which alleges that Barclay copy, claiming 1 mg. of tar, is inaccurate. The FTC contends the actual tar content is more like 4 or 5 mgs. If the FTC finds against Barclay, it would probably have a negative effect on perception of the brand.

At the same time it was blitzing the print media with Barclay, BATC de-

cided to reposition an older, dormant brand, Raleigh, known from antiquity for its on-pack coupons and gift catalogue.

Humber says the repositioning is "basically part of a two prong strategy, coupling renewed attention to older brands as well as to new products."

The Raleigh campaign is strongly male oriented, blue collar, and with an apparent age demographic of 25 to 40. Copy line, "Take the road to flavor," has several highway executions but could restrict creative into vehicular themes. The current executions, with trucks high-balling down the interstate, tend to evoke memories of recent beer commercials.

With \$15.7 million in media last year, Raleigh's campaign wasn't ubiquitous, but funding was sufficient to hit men's magazines and establish a presence in newspapers and outdoor in selected geographic regions.

BATC's free-standing menthol entry, Kool, was heavily tied into promotion of the Kool Jazz Festival, as the copy took the tack, "Play it Kool." Copy for the brand as a cigarette almost disappeared as the Summer Jazz Festival approached.

Last year, the budget for Kool diminished sharply from \$33 million to \$19.3 million.

## Lorillard

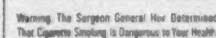
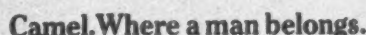
A decade of gradual growth was nearly eradicated last year when Lorillard's long term top performers, Kent and its Golden Lights spin-off, and True fell on hard times.

Lorillard's bacon was saved by the improved performance of Newport, which last year was introduced in a non-menthol extension. It was the one brand in the Lorillard tobacco patch that showed momentum.

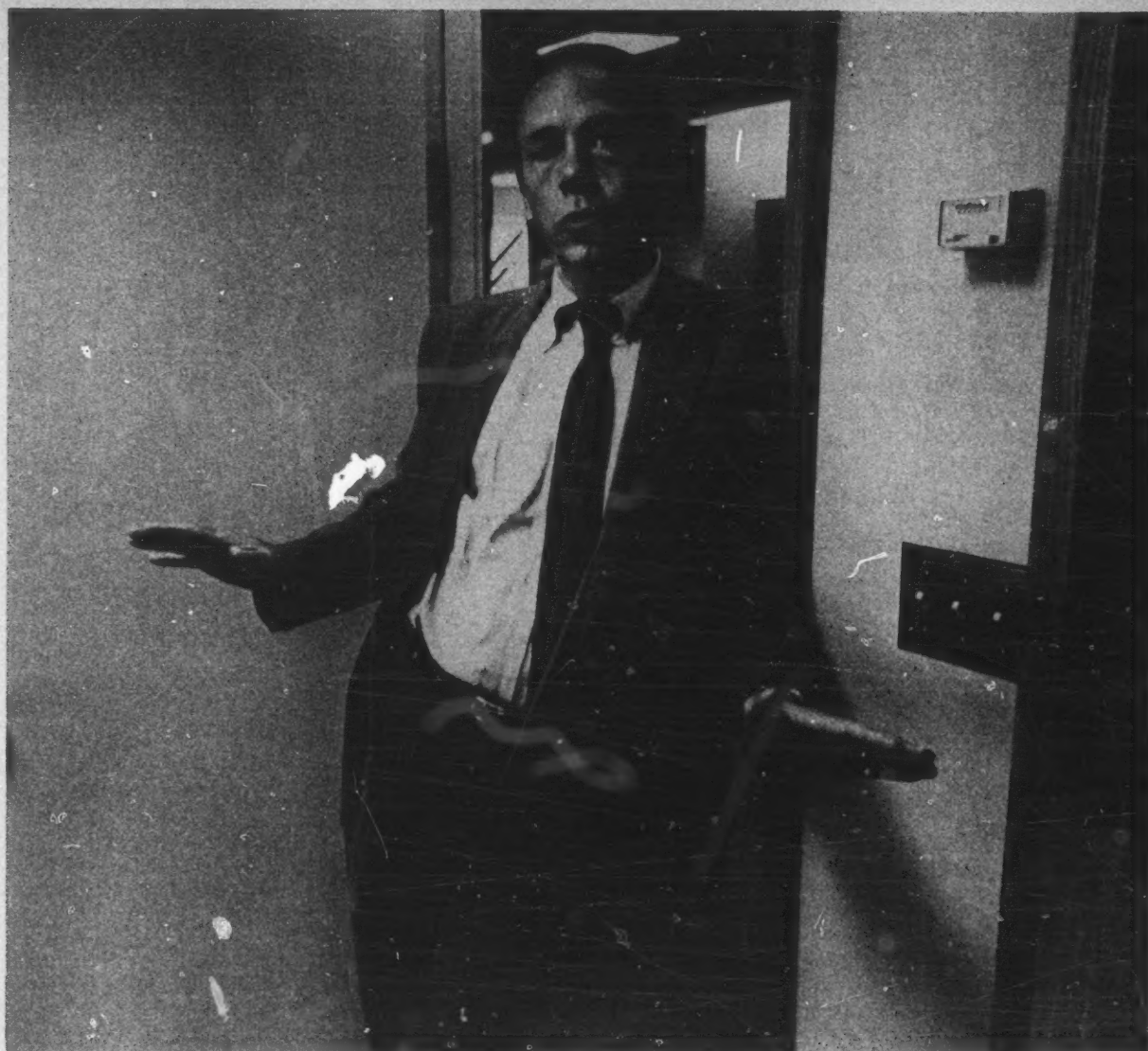
Meanwhile, Lorillard is checking the smoking public's pulse with its market probes, a pre-test marketing program to determine what the market is ready for. Tom Mau, director of brand development at Lorillard says the company entered into probes "to find some concepts and positionings, after up-front research, to determine if those positionings have value. If a brand shows promise, then we'll go into full test marketing. It saves us



# SOUNDBOARD

[illegible]

"Expenditures will increase because of new brands and the effect of inflation, which continues at 8 to 9% a year. That will be the normal rate, and if there are three brand introductions in a given year, that will really pop it," Mau said.



**Jim Morgan**, executive vp-marketing, Philip Morris, was pleased with reception of Benson & Hedges Deluxe Extra Lights. "We were after a fast share," he says, "and we got it."

## Philip Morris

The big event at Philip Morris this year is the roll-out of Benson & Hedges deluxe ultra lights. The brand extension comes when most industry observers believed the time for highly visible brand extensions was about over.

Jim Morgan, executive vp, marketing, found the reception of deluxe ultra lights one of the year's most pleasant surprises. "We were after a fast share, and we got it," he acknowledges. Morgan says the brand has achieved a 1% share nationally, and is as high as a 2.5% share in some markets.

But what most surprised Morgan is the manner of brand performance. "There are no signs yet of the brand skewing demographically. It's as young as it is old, male as female, black as white, all of which is extremely encouraging.

"We originally guessed it would skew female, older and have its greatest strength in the sun belt, where 100 mm cigarettes are strongest."

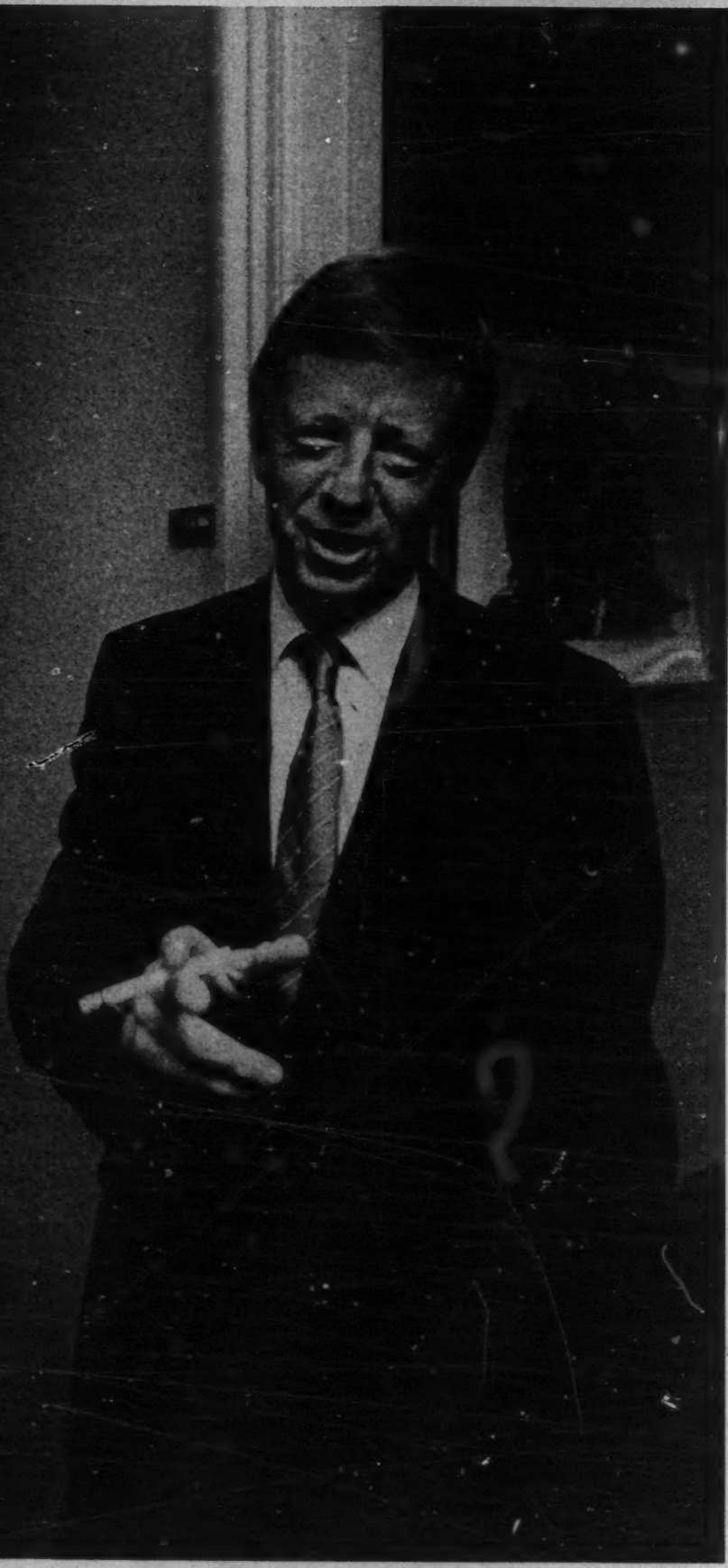
Test marketing for deluxe ultra lights began in March and expanded in May.

"The brand has yet to find its own level, and we will continue to aggressively support the roll-out," Morgan

says. This expenditure is comparable with the budget for Merit, which last year ran to \$85.8 million. Magazine insertions contain numerous three page and two page, four-color spreads. Transit and out-of-home postings are abundant.

Morgan is also highly pleased with the performance of Marlboro, which he says, "is having an incredible year. As of September, the brand had a 19.6% share, up from 18.3% twelve months before." Morgan believes the brand can have a 20% share by the end of 1982.

The successful introduction of deluxe ultra lights and share gains for



Marlboro may give PM enough growth to replace R.J. Reynolds as the leading cigarette marketer in the U.S. But Morgan is more interested in growth than position.

"Whether we are number one in 1982 is not material to our performance, the job we're doing for the stockholders is embedded in basic growth trends we're enjoying. 1982 will be an especially good year for Philip Morris USA. How our 1982 relates to an industry leadership position will be known when year end figures are presented.

"Our objective is to grow a share point a year. If industry leadership is important, it is important in areas of statesmanship, hard work and quality, areas where Philip Morris is second to none."

Although most PM brands are experiencing growth, the company still faces problems in its efforts to introduce a free-standing menthol brand, as opposed to menthol line extensions. A year ago, PM hoped the answer would be Northwinds, a cool smoking cigarette without menthol.

"We've made several attempts to introduce a free-standing menthol in the past 10 years," says Morgan. "In fact, our menthol line extensions are doing very well. Northwinds was designed to answer that situation, and it didn't succeed. And the menthol category is too big for us not to be represented in it." The industry expects Philip Morris to try again.

As for where the industry is going in the U.S., Morgan suspects there may be a revival of interest in flavor. "In Germany, what we've seen is that most smokers who were going to switch, have switched to low tar. And that may be happening here.

"In spite of the health issue, many people out there want a good tasting smoke."

Morgan suspects that desire for flavor is behind the success of the revival of RJR's Camel, and the efforts to revive Raleigh by Lorillard, and Lucky Strike by American Brands.

While watching these efforts with

**Tom Mau**, director of brand development, Lorillard, went in for up-front research to determine new concepts and brand positionings.



# UP IN SMOKES.

St. Petersburg-Tampa again leads all Florida metros in cigarette sales — 214-million packs in fiscal 1981, a whopping 23-million packs ahead of second-ranked Miami.

And when you look at the metro area more closely, you'll find Pinellas County, home of The St. Petersburg Times and Evening Independent, leads Tampa (Hillsborough County) by 14-million packs. In fact, nearly half of the three-county market's cigarette sales are in Pinellas.

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NEW REBEL REBEL

New brand in test is Rebel, out of Lorillard. Advertising is designed to create macho image for low tar Kings and 100's.

interest, Morgan concedes that PM would have a more difficult job with the Philip Morris brand, in that it is a corporate name, and has a smaller sales base to build from than Luckies or Camel. "For us, the brand name isn't as important as the company name," he says.

## R.J. Reynolds

Meanwhile, the industry sales leader is taking its own carefully reasoned approach to share growth and is in no mood to yield its pre-eminent position to Philip Morris or anyone else.

Jim Johnston, executive vp, marketing at the R.J. Reynolds Tobacco Company, says that at year's end, "We will still hold the leadership position in the industry. A period of stagnation ended two years ago. We made great strides in 1980 and '81, and that will continue in 1982.

"Our principal objective is to continue share growth for RJ Reynolds. We want to continue to maintain industry leadership but not at the risk of our underlying principles of growth."

This year, the pursuit of growth has been more in the introduction of line extensions than the launching of brand new products.

Currently, RJR has only one new brand in test. Bright, which Johnston says is positioned in the coolness/ re-

freshment category rather than as a menthol, which it isn't. Copy for the brand declares Bright "outshines menthol" and has as product benefits a "fresher taste" and a "fresh after-taste."

Bright is in test in Detroit, Oklahoma City and Denver. Johnston explains that the markets were chosen to get a reading on how the brand performs against the menthol market. "The markets were chosen for varying levels of coolness segmentation. Detroit is higher than the national average; Denver and Oklahoma City are more normal. The test market choice also allows us to do crossovers on media," Johnston adds.

"To date, we're very pleased with Bright's performance. Its future is still in evaluation and there has been no final decision as to if and when there will be a national introduction."

The principle brand involved in extension in 1982 is Vantage, which has come out in ultra lights menthol, and 100 mm menthol. "This will complete the Vantage menthol family. The decision was made to expand into all styles. We have seen more movement in the menthol segment and can improve our share," Johnston says.

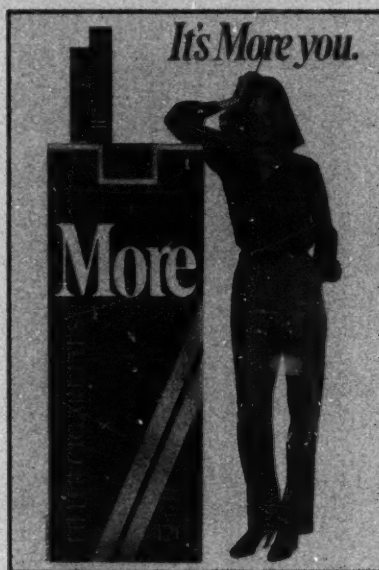
The other extension this year is Salem slim lights, a reduced circumference, low tar cigarette positioned against female smokers. "We're pleased with the results; it's

brought in new smokers," Johnston says.

There has also been a packaging extension for Camel Filter, which was offered in a box for west coast smokers last month. "There's high interest in box packaging on the West Coast. We'll evaluate the response there in the future for expansion to other markets."

On the philosophy of brand extension, Johnston believes that target audience and positioning are key elements: "For instance, Salem slim lights is positioned as a more stylish cigarette. And More Lights is addressed to an audience different from the parent brand. More 120 is positioned for women 35 and over. More lights is a beige 100 mm version, and is a more comfortable statement for women 25 to 35 to make."

"With a brand extension, there is a fair amount of cannibalization, but our record is better than average. 80% of the sales for More light is in new business." The extension extended the brand down into a lower age demographic.



**More's message in newspapers emphasizes classy, long look of the package.**

RJR is also on the move in innovative use of media. Martin J. Orlowsky, director of marketing services, says

that the Camel Score Board, a Camel border around purchased space in newspapers for the consolidation of sports scores, is expanding. As of January, 55 newspapers will be added to the 75 already carrying the scoreboard. The New York *Daily News* will be among the scoreboard additions.

Orlowsky also cites the recent eight page Camel fold-out on football conferences that was run in the football preview issue of *Sports Illustrated*, and the Camel Sound Board, a music concert listing in young adult weekly newspapers in six major markets.

"We're constantly looking for ways of maximizing the values of a publication without disrupting the editorial flow," Orlowsky notes. "We're in dialogue with newspapers to look for ideas and the opportunities to develop similar vehicles."

RJR is also taking a leaf from the Kool music festival book, by associating Salem with country music festivals. A new series was begun in October, Orlowsky says. "We're not in the concert business. This gives another conduit through which to communicate," Orlowsky reasons.

So where does the cigarette business appear to be heading, in the view of Johnston? Toward fewer line extensions, and new product introductions only when the innovations warrant it.

"If you look at what has happened over the past decade, there has been a natural line of brand extension toward low-tar. And those brand families that warrant that kind of extension, we're happy with. Vantage is an example."

"More Lights and Salem slim lights are new kinds of extensions for us — where they are being positioned as a more stylish kind of cigarette."

"But if you look at the future of line extensions, I believe the pace will be slow. We must be sensitive to consumer desires. They will be more difficult to develop, and more expensive to launch. There will be fewer line extensions."

"There also must be more attention paid in the development of new brands to consumer desire and to the technological base, and that too, is expensive," Johnston says.

*Fred Gardner*

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Five newspapers representing five Central and East Texas cities characterized by growth and vitality. Austin. Waco. Longview. Port Arthur. Lufkin.

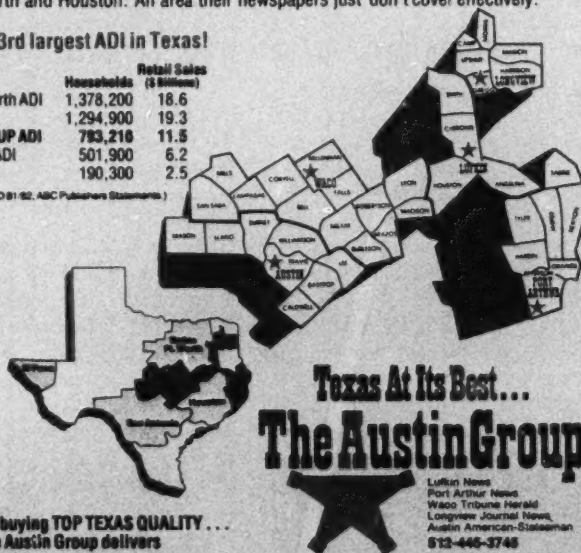
We cover the area the other markets miss.

The Austin Group market, as an ADI itself fills in the prosperous area between San Antonio, Dallas/Ft. Worth and Houston. An area their newspapers just don't cover effectively.

We're the 3rd largest ADI in Texas!

|                         | Households     | Retail Sales (\$ millions) |
|-------------------------|----------------|----------------------------|
| Dallas/Ft. Worth ADI    | 1,378,200      | 18.6                       |
| Houston ADI             | 1,294,900      | 19.3                       |
| <b>AUSTIN GROUP ADI</b> | <b>793,216</b> | <b>11.5</b>                |
| San Antonio ADI         | 501,900        | 6.2                        |
| El Paso ADI             | 190,300        | 2.5                        |

(Source: SPDS CMO 81-82, ABC Publishers Statements)



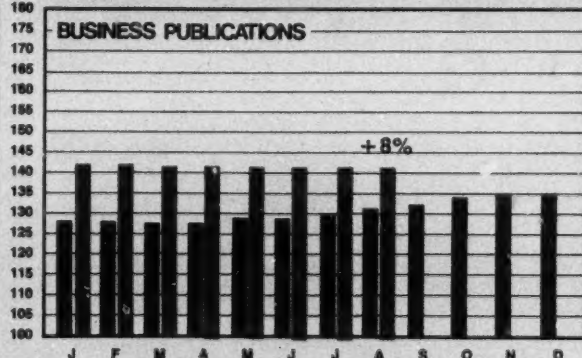
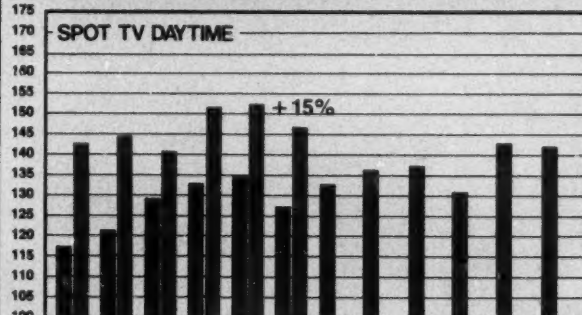
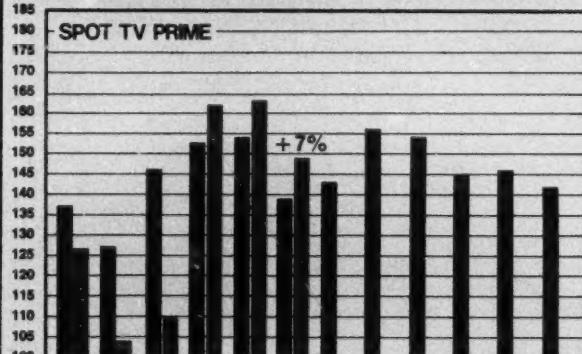
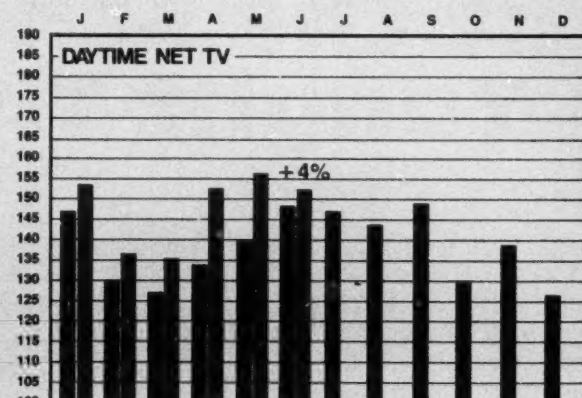
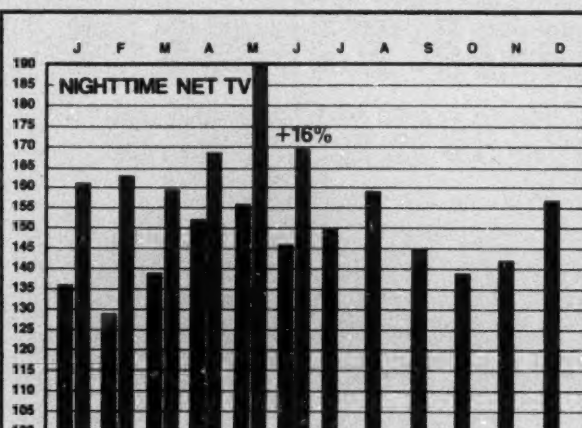
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# MEDIA COST INDEX

Black bars index for 1981; red bars 1982; base year 1977



**Consumer magazines** held their prices almost even after the usual jump in rates at the start of the year — up 10% above 1981 — 59% starting from the base year 1970, with the index moving up to 159.

Magazine dollar volume for the first eight months of this year ran almost \$2.1 billion, up 6% over the year before.

**Business publications** almost matched the strength in consumer magazine pricing. In August, business publication prices continued at 8% over the year before, up 42% over the base year 1970, with the index moving up to 142.

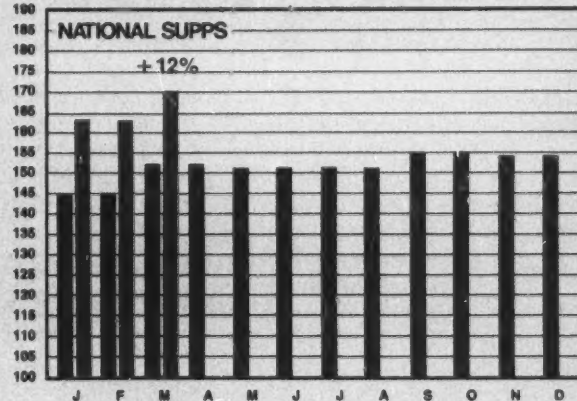
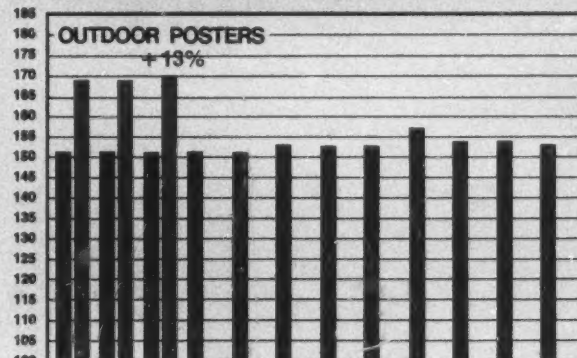
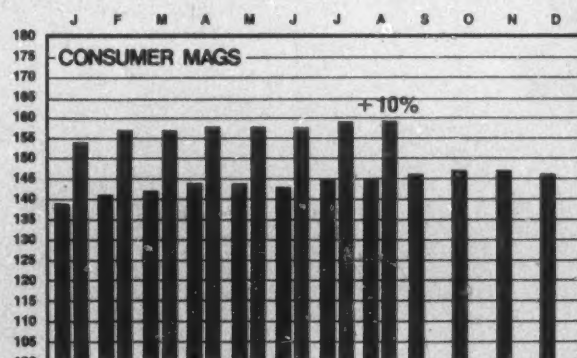
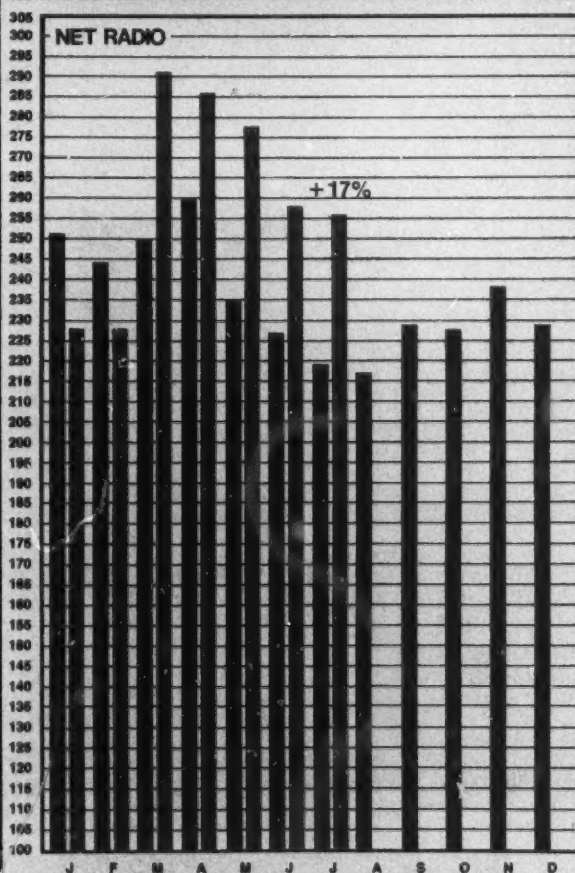
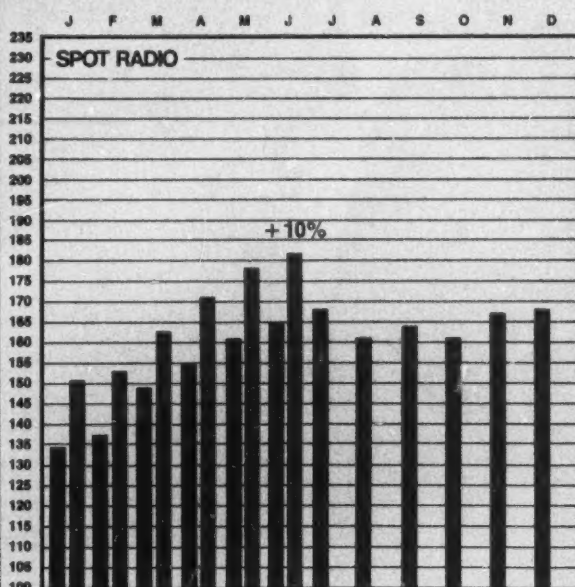
**Other media cost data** is not available at this time, in part because several of the media organizations are trying to improve and update their methods of tabulation of expenditure and cost figures. Among these are the Newspaper Advertising Bureau and the F.R. Cawl organization which tracks activity in outdoor posters. Hopefully, we will have more new information to report in this space next month.

**The Media Cost Index** reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Sources: **Nighttime Network TV** — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. **Daytime Network TV** — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. **Network Radio** — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. **Spot radio** estimates are based on SRDS cost of one minute on one station per market in the top 50 RADI markets. **Consumer magazine** estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue, as reported by MPA. **National Supplement** estimate based on reported SRDS cost of page, 4-color for three national supp. **Daily Newspaper** estimates based on Newspaper Advertising Bureau report of SRDS costs per agate line of a stratified sample of 155 newspapers. **Business Publication** estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. **Outdoor Posters** based on estimates prepared by F.R. Cawl & Assoc. **HOW TO READ:** Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.



# MEDIA COST INDEX (continued)

Black bars index for 1981; red bars 1982; base year 1977



# MARKETING & MEDIA

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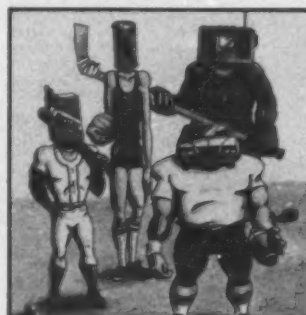
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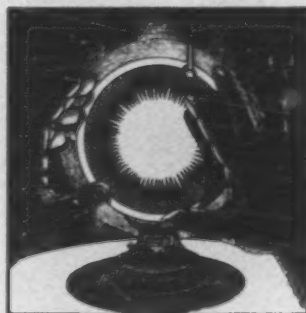
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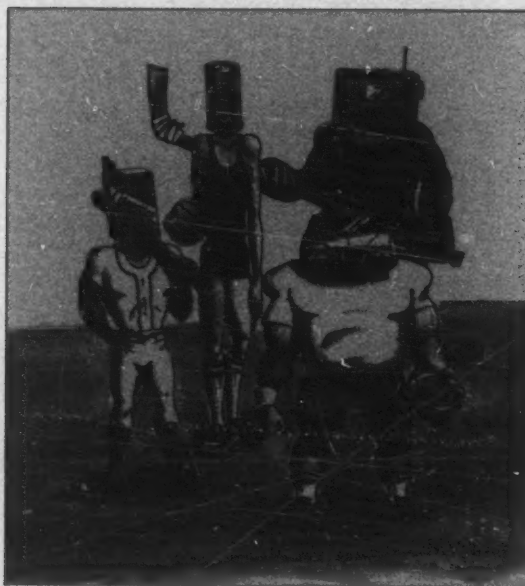
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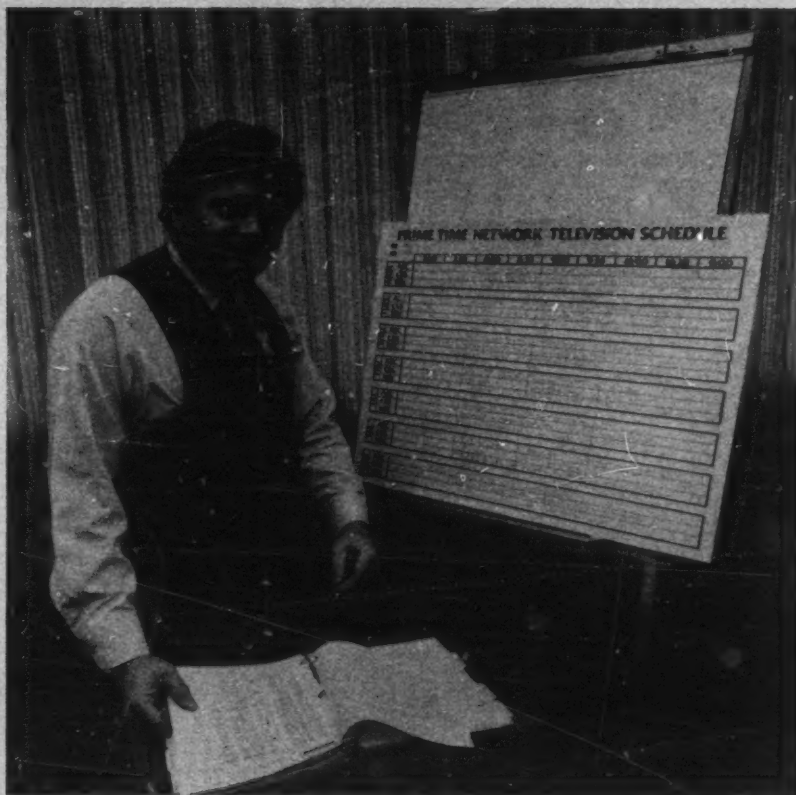
# How media recruit the sports fans

**Sports is a medium in itself, a means of reaching an audience that contains an unusual proportion of males no matter what the carrier: magazines, newspapers, tv, radio or cable. This report high-spots the multitude of sports media available and how major advertisers are making use of them.**

**M**any admen view sports as a medium in itself. In sports events, sports magazines, the sports sections of newspapers, sports play-by-play and specials on tv and radio, the message is the medium. And the message not only selects a unique audience (skewed upscale and

to men) but also creates a very special environment for selling.

It would probably take the whole of every issue of this magazine for a year to describe all the ways advertisers use sports and how the media capitalize on sports as a magnet for readers, viewers



**Dave Martin**, Campbell-Ewald's director of broadcast media, has so many male oriented accounts that he uses a lot of sportscasts.

and listeners. In this report we will high-spot some of the multitude of sports media available—with apologies to those not accorded a specific mention.

### **In newspapers, sports are forever**

Newspaper sports sections have been available for so long that they are almost taken for granted by advertisers seeking to reach a predominantly male audience. The newspapers have both the permanence of print and fast-closings to offer advertisers who want to capitalize on the excitement and immediacy of sports events.

The Newspaper Advertising Bureau has a basic presentation designed to show more advertisers how to increase the impact of ads in the large sports sections of practically all dailies.

Key points made by the Bureau are that ads in sports sections will be most memorable when they tie-in on sports events in the news.

The Bureau's prize example of how this can be done is a Volkswagen page

congratulating the winner of a marathon race that was the big news in the editorial pages of the papers the day after the race. Copy for the ad was publication set by papers on the list in advance of the race—excepting the name of the winner. The name was dubbed in by the papers as they went to press after the race—and a large news photo of the winner breasting the tape at the finish line likewise was added. Result: great timeliness and impact.

The Camel Scoreboard that was initiated by R.J. Reynolds last year is another example of the awakening of advertiser interest in newspaper sports reporting. Camel designed its Scoreboard, putting an advertising border around the newspapers collection of sports scores.

This sparked a media-wide discussion as to whether newspapers should allow an advertiser to "sponsor" their editorial content. Of the big metropolitan newspapers, only the New York *Post* and the three Dallas-Ft. Worth newspapers accepted. When Reynolds discovered that the Texas papers wer-

en't including all their scores in the Scoreboard, they were dropped. At present some 70 newspapers are running Camel's Scoreboard. Reynolds plans to expand the list to 125 newspapers in 1983.

The Newspaper Advertising Bureau pulled a special report on the Readership of Newspaper Sections out of the 1981 Simmons Study of Media and Markets and found significant readership of the sports sections. It found that "newspaper pages or sections are usually read" by 81% of all adults—88% of men and 74% of women. Age level of adult readers peaks at 45-54 years of age. Heaviest readers are adults with one to three years of college education (90% in the case of males with some college).

The variation of sports readership by household income is not great. It peaks at 89% among males with HH income of \$15,000 to \$24,999, but the figure holds at 88% among males with HH income of \$35,000 and over.

By occupation, highest readership of newspaper sports is among professional/managerial and craftsmen/foremen males and professional/managerial women.

The skew to male readership is clear, but that 74% readership by women should not be overlooked. The newspapers have a strong dual audience to sell, with peaks in readership in such sections as sports.

NAB also published an exhaustive report on the "Two Dimensions of News" in January 1978 that included interesting findings on sports. It reported that newspapers devote 14% of their articles (75-line and over stories) to sports. It found that 52% of readers were either *intensely* interested or *very interested* in sports.

According to this report men were about twice as interested as women in newspaper sports coverage—non-whites about 22% more interested than whites. The demographics of heaviest sports readers were: frequent readers, male, non-white, age 18-44, high-school graduates.

The newspapers themselves feel the popularity of sports in increased newsstand sales at the time of such popular events as marathons, big fights, baseball's world series and—when the players are not on strike—football

bowl games. Not surprisingly, big users of the sports pages are cigarette, liquor, automotive advertisers for their male-oriented cars, TBA advertisers (like Ford's Motorcraft), sports cable networks. Recently, advertisers of more general merchandise have been moving into the sports sections of

spectator sports. Twenty five of them are assessed for their total audience coverage in the MRI Fall 1982 total audience counts.

In addition, quite a few of the sports books that are assessed individually for total audience are included in network buys for which combined figures are

bine them in packages with known audience totals, demographics and combination rates.

Ziff Davis Network, which includes sports books and some that are not strictly sports has an MRI total audience count of 18,155,000, but included are *Skiing*, *Flying*, *Boating*, *Car & Driver* and *Cycle*—plus *Popular Photography* and *Stereo Review*. Advertisers get a discount by buying any three.

Peterzen Action Group's total audience is estimated at 27,805,000. In the group are the automotive books (*Hot Rod*, *Car Craft*, *Motor Trend*, *Motorcyclist*, *Pickup Van*, *4 Wheel & Off Road*); *Guns & Ammo* and *Hunting*; *Rudder*, *Sea*, *Lakeland Boating* and *Skin Diver*; and a new book, *Circle Track*, is being added. A discount is applicable to a buy of each of any three books, minimum two pages in one-third page or larger units.

Hearst Magazines has a Mens Magazine Package that includes *Sports Afield* along with *Popular Mechanics* and *Science Digest*. Total audience for the group is 20,780,000. *Motor Boating & Sailing* can be bought with the group as a supplement for advertisers meeting a quota in the base publications. A group discount applies.

The CBS Special Interest Group includes *Road & Track*, *World Tennis*, *Cycle World*, *Audio* and *American Photographer*. Total audience for the Group as measured by MRI is 10,372,000. Not included is *Field & Stream*, which has broadened its coverage in recent years from just hunting and fishing to include back packing, camping and similar outdoor personal sports—still relating them to hunters and fishermen. Also at CBS is *Woman's Day*, which has become affiliated with the U.S. Olympics as an official woman's magazine for the Olympics. Starting in January, coupon advertisers in *Woman's Day* can merchandise their products through coupons that include a device for contributing to the U.S. Olympics.

Times-Mirror Magazines include *Golf*, *Ski*, *Outdoor Life*. The *Golf/Ski* combination as measured by MRI offers a total audience of 5,125,000. *Golf*, *Ski*, *Outdoor Life*—together with *Popular Science*—are part of the Times-Mirror Network, which offers a discount for a Network buy.



**Fred Botwinic**, who heads up Katz Sports, is trying to beat escalating sports costs by new tv programing techniques and syndication strategies.

newspapers. The NAB's example is Timberland boots, with full pages advertising the high quality of their waterproof shoes price-tagged at \$70 and over.

Most recent bid for advertising in newspaper sports comes from the new national newspaper, U.S.A. Today. It claims extra readership of its sports because it doesn't go to press until 3 a.m. and can include late sports scores from even the West Coast.

### Sports magazines— mass and special interest

Sports magazines are a giant category. As a matter of fact, some advertisers say it includes several categories in SRDS—like outdoor books, car buff books, boating, as well as general and specific sports. Obviously we can not cover them all here.

Many of the magazines zero-in on a special sports interest, but some have such large audiences that advertisers buy them for their mass coverage, although skewed somewhat to male audiences with keen interest in personal or

shown in the column at the right.

Here's how they rank in total audience in the most recent MRI:

|                         | Total audience |
|-------------------------|----------------|
| Sports Illustrated      | 15,716,000     |
| Field & Stream          | 13,871,000     |
| Outdoor Life            | 8,353,000      |
| Sports Afield           | 7,285,000      |
| Sport                   | 5,578,000      |
| Inside Sports           | 4,981,000      |
| Hot Rod                 | 4,839,000      |
| Guns & Ammo             | 4,721,000      |
| Motor Trend             | 3,845,000      |
| Road & Track            | 3,475,000      |
| Car & Driver            | 3,373,000      |
| Golf Digest             | 3,301,000      |
| Cycle World             | 2,737,000      |
| Golf Magazine           | 2,665,000      |
| The Sporting News       | 2,492,000      |
| Hunting                 | 2,467,000      |
| Ski                     | 2,460,000      |
| 4 Wheel & Off Road      | 2,379,000      |
| Runner's World          | 2,220,000      |
| Popular Hot Rodding*    | 2,195,000      |
| Car Craft               | 2,039,000      |
| Pickup Van & WD         | 1,886,000      |
| Tennis                  | 1,520,000      |
| Motor Boating & Sailing | 1,191,000      |
| World Tennis            | 1,048,000      |

\* Popular Hot Rodding's total audience was estimated as 2,373,000 in Fall '82 SMRB, the only one of these books to be credited with a larger total audience by SMRB than by MRI.

Several of the publishers offer more than one sports oriented title and com-

Continued on page 104



Meredith's only sports coverage is of the sport of kings, sailing. *Sail Magazine*, its monthly, is an outgrowth of *Sailboat Directory*, one of the granddaddies in the Meredith stable of annu-als. Last year it added a special issue for newsstand sales, *Learn to Sail*, as a spin-off applying the same technique as that used very successfully by *Better Homes & Gardens*. Second issue of *Learn to Sail* will be Spring 1983, and plans are in the works to add other similar specials to *Sail Magazine*.

Also not to be overlooked is the considerable coverage given sports by the general magazines, including several of the women's books.

The Magazine Advertising Bureau's recently released study of Media Involvement, which was conducted by Opinion Research Corp., included answers from a probability sample to the question: *Where do you get the most knowledge and useful ideas about sports?* According to this study, 41% of men and 39% of women rely on

magazines for their sports intelligence—compared to 33% of men who say tv and 34% of women who say tv.

Perhaps of greater significance is the profile of sportsmen who get their sports info from magazines. They tend to be better educated, upper income, aged 18-44, professional/managerial/white collar in occupation.

However, magazines in general were not very successful this Fall in replacing tv expenditures on NFL football coverage when the strike left the big beer, automotive and other men's product advertisers scrounging for substitute media. Advertisers committed to one medium are slow to change. Most of them opted for tv substitutes or squirreled the big tv dollars away in order to make their profit-and-loss statements look better at the end of a recession year.

*Sports Illustrated* was the exception. It was already getting business from NFL advertisers for a male audience that is even greater than tv's Sunday football. As of November 11, *SI* had 14 extra pages from ten advertisers and more were coming in.

Magazines also have the opportunity to offer tie-ins to promotionally minded advertisers. An example of this is the recently created division of the New York Times Magazine Group (*Tennis* and *Golf Digest*) called GD/T Sports, headed by Kevin Walsh.

"We provide the sponsors with a turnkey operation in doing a promotion," says Walsh, who for the past two years has been handling GD/T Sports promotions for clients such as Thomas J. Lipton, Chrysler Corp., Seagram Distillers, Hart, Schaffner & Marx, Pinch Scotch, Holland American Cruises, Subaru and Vantage cigarettes, among others. "We organize the events or the competition, we handle accommodations, tickets, the parties, whatever it takes."

The promotional tie-ins are paid for by the client, and in most instances include an additional buy of nine pages in either *Golf Digest* or *Tennis*. One example of the scope of promotions available through GD/T Sports is Lipton's sponsorship of National Tennis Week.

"For Lipton, this is an exposure vehicle," says Walsh. "The competition

## Chet Simmons ready for kick-off of new USFL football league

Chester R. "Chet" Simmons sits in the sparsely furnished commissioner's office of the United States Football League, a new entity that is growing faster than office furniture can be delivered.

Simmons is reading the sports pages of the New York *Daily News*, checking developments in the strike by players in the National Football League. The outcome of the strike does greatly affect the value of the USFL games that begin next March. Before the USFL had signed a single player to a contract, the league was able to extract a reported \$60 million from ABC-TV and ESPN for the rights to broadcast and cablecast the USFL games over the next two years (a figure that Simmons says is exaggerated).

Whatever the actual price of the television rights sale, Simmons says advertisers have been approaching the league offering to pay up to 72% of going advertising rates for the NFL. If the NFL strike lasted for the duration of that league's season, the value of ad time on the USFL games would have risen dramatically.

"It all comes down to the fact that football delivers the perfect demographics for a lot of advertisers," says Simmons, who has been involved in television sports since 1957 and has served as president of both NBC Sports and ESPN. "When the founders of the league came up with the idea for the USFL, they weren't thinking about demographics. They were thinking of the sport. Football could handle another season. There were enough quality players available to insure a quality programming product. There were first class stadia available.

"But the real gut issue on whether or not the USFL could make a go of it was what it could do as a marketing and advertising tool."



is for mixed doubles. It starts at 1900 locations across the country and winds down to 32 mixed doubles teams who attend the national finals in the Sawgrass resort outside of Jacksonville, Florida.

"The contestants get a free trip to the resort for them and a guest. We have additional tie-ins with Eastern Airlines, Adidas and Penn balls.

"Then there are the co-chairmen, who are professional tennis players and are on site for the finals. Next year the pros will be John and Chris Evert Lloyd."

In addition to the exposure Lipton receives through the competitions, the sponsor also benefits from press coverage of the matches and the week in Florida.

The event is also publicized on sports programs on network radio. The total cost to Lipton is more than \$250,000.

Sports are such a natural for promotional activity that many sports magazines mount special promotions around sports events. Probably the best known is *Sports Illustrated's* special inserts—24 or 32-page advertorials covering the World Series, Indie 500, U.S. Open Golf, U.S. Open Tennis and the Superbowl. For obvious reasons as we went to press, the Superbowl insert was a cliffhanger. Ads in the inserts take a premium price, with advertisers getting tickets and a special week-end at the sports event for eight people for every page in the section. The section can be over-run and used as a promotion by advertisers in it.

*Sport Magazine*, which was bought by Southwest Media Corp. from Charter in April 1981, has made four most valuable player awards into a significant sports occasion, with awards presented to a World Series athlete, one to an NBA champ, one after the Stanley Cup and one to a Superbowl player. Besides a complete revamp of the magazine's format since the new owners took over, they have moved the awards presentation to a party at the Xenon disco in New York, with upwards of 600 young sports enthusiasts having a great time.

Another emerging trend is the development of special sections on sports events in general audience books. *Playboy's* latest play is an example.

The June 1983 issue of *Playboy* will

contain its first special advertising section. It will be built around a spectacular sports event, the Grand Prix de Monaco.

The issue will feature a full-color guide to the race and to the events that surround it, prepared with the cooperation of the Automobile Club of Monaco, which sponsors the race.

### Exclusive buys for auto marketers has pushed spot prices on sports sky high

Carrot offered to advertisers in the section is an invitation from *Playboy* to attend the Grand Prix. Closing date is February 24, 1983. Rate for the section carries a \$5,000 premium over the regular earned rate. But the entire insert will also be run in *Automotive News* as a reprint.

*Playboy's* participation was arranged by Stanley Fizer and Associates, licensing and marketing arm of Telemundi AE Company.

Editorial product will be the work of the magazine's own editors, freelancers and artist LeRoy Neiman.

Magazine Publishers Association reports that nine sports magazines increased average circulation 5% or more in the year ending June 30, 1982:

|                     | Percent increase |
|---------------------|------------------|
| Golf World          | +22.1%           |
| Bicycling           | +18.9            |
| Hockey News         | +13.4            |
| Southern Outdoors   | +8.5             |
| Sports Illustrated  | +7.3             |
| The Sporting News   | +6.9             |
| Road & Track        | +6.3             |
| 4 Wheel & Off Track | +6.2             |
| Cycle World         | +5.7             |

Several of these gains are numerically very large. Five of them have total audiences as measured by MRI of two million or more, led by *Sports Illustrated* with 15.7 million.

*The Sporting News* (up 6.9%) is unique in its tabloid format. It specializes in weekly reports giving all the news of each of the four major sports (football, baseball, basketball and hockey) every week all year.

### Radio and tv sports

"In trying to reach men 18 to 54,"

says Jerry Solomon, executive vp for D'Arcy-MacManus & Masius's Sports and Programming unit which handles network buys and tie-ins for Anheuser-Busch, "We can find alternatives in network tv. We can buy into other day-parts. We can buy into the news, even though the demographic deliveries will be smaller. But the point is, there is no better alternative to sports."

Nor does any other television and radio programming vehicle or print topic offer the diversity of advertising and marketing opportunities as do sports. The audience sports deliver is predominantly male, a demographic category difficult to reach through, for example, regular primetime network fare. Further, the sports program or article is built around an actual event.

In a televised or radio broadcast of the sports event, the viewer or listener is actively consumed in the program, and unless the competition is not competitive, the audience is absorbed throughout the game in anxious anticipation of its unpredictable outcome. For the advertiser, this viewer involvement carries over to its advertising message. In that way the advertiser not only reaches an audience which is activated and involved, but also establishes an association with the teams at play.

In addition, the event itself provides tremendous marketing and merchandising opportunities. At the stadium, ad messages are conveyed on the backs of tickets, on the plastic cups in which beer is served, on the scoreboard, in the program. Further, advertisers have sponsored play-of-the-game awards, amateur competitions and even professional events, all of which carry the advertisers's name in the title: The Chevrolet Most Valuable Player in several sports, the Emery Edge Award in hockey, the Dodge National Long Driving Competition in golf, to name but a few of literally hundreds of advertiser sponsored sports awards.

With the wide range of sports available for coverage (there are currently more than 30 different sports covered by broadcast and cable television) the advertiser can find both strong national events and sports with predominantly local or regional appeal. The local appeal is valuable to manufacturers with local distributors: the game provides the distributor with an event to attend



## Major rights deals negotiated for 1983, 1984 and 1985

| Year    | Sport                 | Programmer                   | Rights Fee      |
|---------|-----------------------|------------------------------|-----------------|
| 1982    | NFL Football          | ABC, CBS, NBC                | \$400 Million   |
| 1983    | NFL Football          | ABC, CBS, NBC                | \$400 Million   |
| 1984    | NFL Football          | ABC, CBS, NBC                | \$400 Million   |
| 1982    | Major League Baseball | Networks, some cable and STV | \$118.4 million |
| 1983    | USFL Football         | ABC, ESPN                    | \$16.5 million  |
| 1984    | USFL Football         | ABC, ESPN                    | \$16.5 million  |
| 1982-83 | NHL Hockey            | USA Cable Network            | \$4.4 million   |
| 1983-84 | NHL Hockey            | USA Cable Network            | \$4.4 million   |
| 1982    | NCAA Football         | ABC, CBS, WTBS               | \$66.4 million  |
| 1983    | NCAA Football         | ABC, CBS, WTBS               | \$74.3 million  |
| 1984    | NCAA Football         | ABC, CBS                     | \$68.6 million  |
| 1982-83 | NBA Basketball        | ESPN, USA                    | \$5.75 million  |
| 1983-84 | NBA Basketball        | ESPN, USA                    | \$5.75 million  |

SOURCE: QV Publishing, Inc.

and become involved with while increasing promotion within its market and helping to spur local sales of the product.

Still, with all its strengths, sports are going through a period of intense transition. Drug abuse scandals have tarnished the golden boy image of the professional and college athlete. Strikes have interrupted seasons in football and baseball and could spread to basketball. Major events pitting key athletes against each other can lose all value through injury to the sports stars.

And further, the cost of securing rights to games and other sports events are driving up the price of advertising on sports shows and could ultimately destroy the cost efficiencies presently offered to advertisers.

"Prices for sports programming are up tremendously over the past few years," says Fred Botwinic, the sports programming expert who was lured away from the Post-Newsweek stations to head up Katz Sports, a newly created programming and syndication division of Katz Communications that in its first 10 months, has emerged as one of the most aggressive non-network developers of sports programming. "The rates are getting out of proportion to what they deliver. Bids are being doubled

and tripled to beat the competition."

"We offered over \$400,000 for the broadcast rights to the Georgetown-Virginia basketball game this December (featuring the two highest rated centers in college basketball playing against each other), and Ted Turner takes it for \$500,000 for the one game. It was a showcase game for his Super Station, but that left 77% of the country unable to see it, and the Washington, D.C. area blacked out, so he had to try to clear it on broadcast stations on a barter basis."

"The publicity that these rights sales get," says Botwinic, "makes the athletic directors up their own ante. It's come to the point where syndicators are paying out-of-line prices for sports events."

It isn't just syndicators. The three networks coughed up \$2 billion for five-year rights to broadcast NFL games and to keep those games over the next two years, beating the second highest bid by at least \$10 million. KOMO radio in Seattle beat five competitors for the broadcast rights to University of Washington football and basketball games for the next three years by bidding \$510,101 per year. The university says the bid is the highest in the country. And the network rights to the

1988 summer and winter Olympics are reported to be going for more than \$600 million.

The squeeze that these rights have placed on advertising rates has been correspondingly severe. Beer exclusivities for individual professional baseball franchises have reportedly increased as much as 20-fold. A minute on *Monday Night Football*, when it is played, costs at least \$600,000. This year, ABC split the beer exclusivity between Miller and Budweiser for the first time, and added a minute to the minimum required to obtain exclusivity.

"What we have in sports is a free market bidding situation," says Steve Leff, executive vp of Backer & Spielvogel, which handles Miller Brewing. Leff agreed to speak for this article about sports in general, but declined to discuss Miller Brewing or any other particular client. "The sellers know this and they're taking advantage of it. But there are just so many major sports events."

The cost of advertising time on major sports programming is also spurred by the intense competition for air time in sports between major marketers in several advertising categories. Exclusivities are sold in automotive and beer



categories, among others, but that monopoly franchise is being chiseled away. Many sports events now sell domestic and foreign car exclusivities to national advertisers.

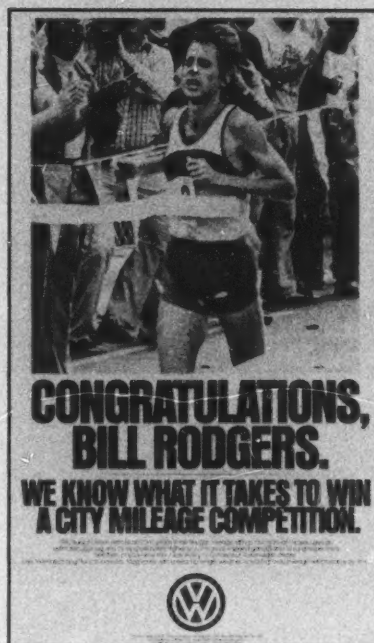
But the competition for this exclusivity has helped keep the price of spots in major sports programming at a premium.

Referring to the splitting of beer exclusivity on Monday Night Football this year, D'Arcy's Solomon says, "We forced that development. The three networks realized that with their new NFL contract, they would need to bring in over \$120 million more than in 1981. They also needed one more ad minute per game. ABC knew that if it could get one more minute out of the beer category, it could bring in an additional \$7 million over the 23 games. To keep (Budweiser) out of *Monday Night Football*, Miller would have had to take the whole thing, but they decided they couldn't afford it. They have to split it with us or drop out all together, and if they dropped out we would have taken the whole thing. We choreographed that situation for ABC."

At what price, however, will the bubble burst and the sports vehicles price themselves out of their present position of strength?

Chet Simmons, who has been on the broadcast and cable network side as rights buyer and is now in the seller's role as commissioner of the USFL, says, "I suppose that when we talk about the escalating costs of sports rights, I'm culpable. But I would not now say that we are anywhere near the limit that advertisers will pay to advertise in sports programming."

"Anybody who is going to bid for a major sports event is going to have to outbid the networks, and sports are critical to the networks' success. Why else would ABC take on the USFL when it was just a germ of an idea? Our season starts in the Spring and it is going to be a major test to see if ABC can get back the football audience in that season. It will be a lead-in for *Wide World of Sports*, and nothing is more important to ABC than maintaining high ratings for that program. During the Spring, there is only basketball, hockey, some baseball, golf and the anthologies for the sports audience. The audience isn't there. If the net-



**Volkswagen ad gained in impact by appearing in newspaper sports section day after marathon was run**

works could do one-third as well in March as they do in the fall, it would be a bonanza."

Botwinic of Katz Sports believes that the bubble, while not ready to burst, could be ready to deflate a little.

"The rates are out of proportion to what they can deliver," says Botwinic. "When the results of some of the bad deals are finally publicized, the college conferences will reconsider how much they can ask for because of the bad publicity. That will bring the prices back down to earth."

Leff of Backer & Spielvogel, however, isn't as convinced that the bubble will burst any time soon.

"The bubble will burst when the cost of sponsorship goes beyond the point where it makes any economic sense," says Leff. "But compared to other dayparts, sports has been and still remains cheaper."

In Backer & Spielvogel's 1981 TV Sports Factbook, the agency quotes Nielsen Television Index CPM Report data to show that, in November 1981, the average male cost-per-thousand rates for men 18-49 in sports was \$10.92. Late fringe costed out at \$11.75, with evening news at \$12.86,

primetime at \$14.53, and weekday daytime at \$19.34.

### On cable, pay-per-view?

Despite the efficiency in reaching the male target audience through sports, most observers in the field say that the development to stem the tide of spiraling costs will be pay-per-view events, in which viewers will pay a one time fee to be equipped with an addressable receiver that will enable them to view a special and heavily promoted sports event.

"Many people involved with sports think that pay-per-view will make them rich in three years," says Botwinic. "But the technology won't be viable for another four or five years at the earliest."

"The other problem is getting the special games that will support pay-per-view. A college conference for the next five to ten years is going to need a certain number of games for over the air broadcast. That means there will only be a certain number of games left for pay-per-view when it becomes viable, and those have to be very attractive games to make it work."

Solomon also has unanswered questions about the scope and viability of pay-per-view events.

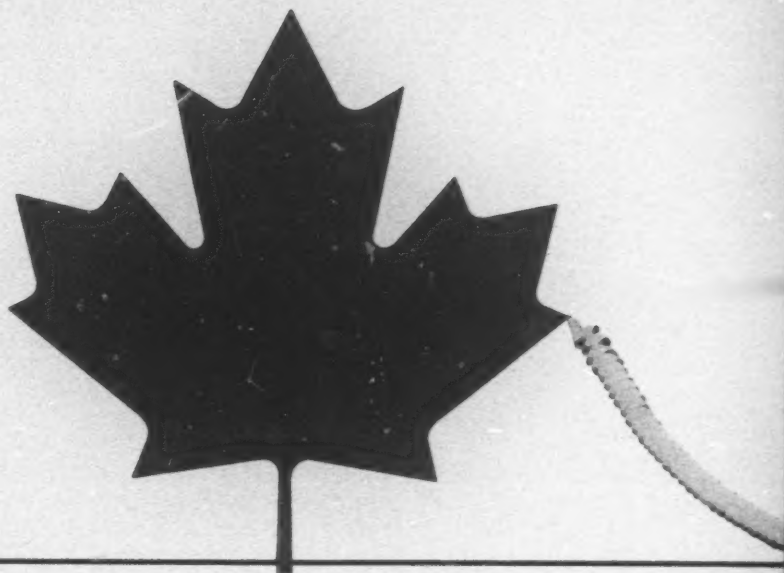
"With the exception of the Thomas Hearn-Ray Leonard fight, none of the pay-per-view events did all that well this year," says Solomon.

"Whatever happens in pay-per-view, we will have to look at any price increases and measure it against what else is available, and evaluate the potential first for drawing larger audiences and then for other merchandising and promotional advantages. With sports, we can find ways to make the increased cost work better for us."

Budweiser, perhaps as much as any advertiser, has taken advantage of the promotional and merchandising opportunities that are unique to sports properties. The brewer is the official sponsoring beer of 21 of the 24 American teams in professional baseball, and is the exclusive beer for every New York professional sports franchise. Budweiser has dominated boxing sponsorships, and with its exclusive deal with ESPN has been able to place its logo on turnbuckles and ring mats, as well as other promotions. ■

U.S.-oriented guide:

# An insider's Canadian media



From an American perspective, it seems kind of foreign to think of Canada as being, well, foreign. Perhaps that feeling has something to do with the proximity of the two nations and some assimilation of Canadian elements into the mainstream of U.S. culture: the Montreal Expos, Margaret Trudeau, Canadian bacon and Canada Dry.

But while there's a healthy amount of overlap between the two North American neighbors, a great deal of difference also exists. And this contrast carries over into the quirks and mechanics of media buying.

Understanding the nuances of Canadian media has become a prerequisite for U.S. marketers seeking a niche "up north." The stakes are lucrative. Canada has become one of the

United States' best customers, accounting for approximately 20% of all U.S. exports.

But it takes more than a little finger-walking through SRDS directories to size-up the intricacies of using Canadian media. "It's a very fragmented market," says Guest Editor Hugh Dow, senior vp-media director of MacLaren Advertising — one of Canada's top 5 agencies. On top of that, he notes, "Canadian media have to compete, not only among themselves, but also with the American media that's spilling into" the country.

Dow knows the ropes very well. He currently serves as president of Canada's only magazine audience measurement organization, the Print Measurement Bureau and as a director of the Broadcast Bureau of Measurement

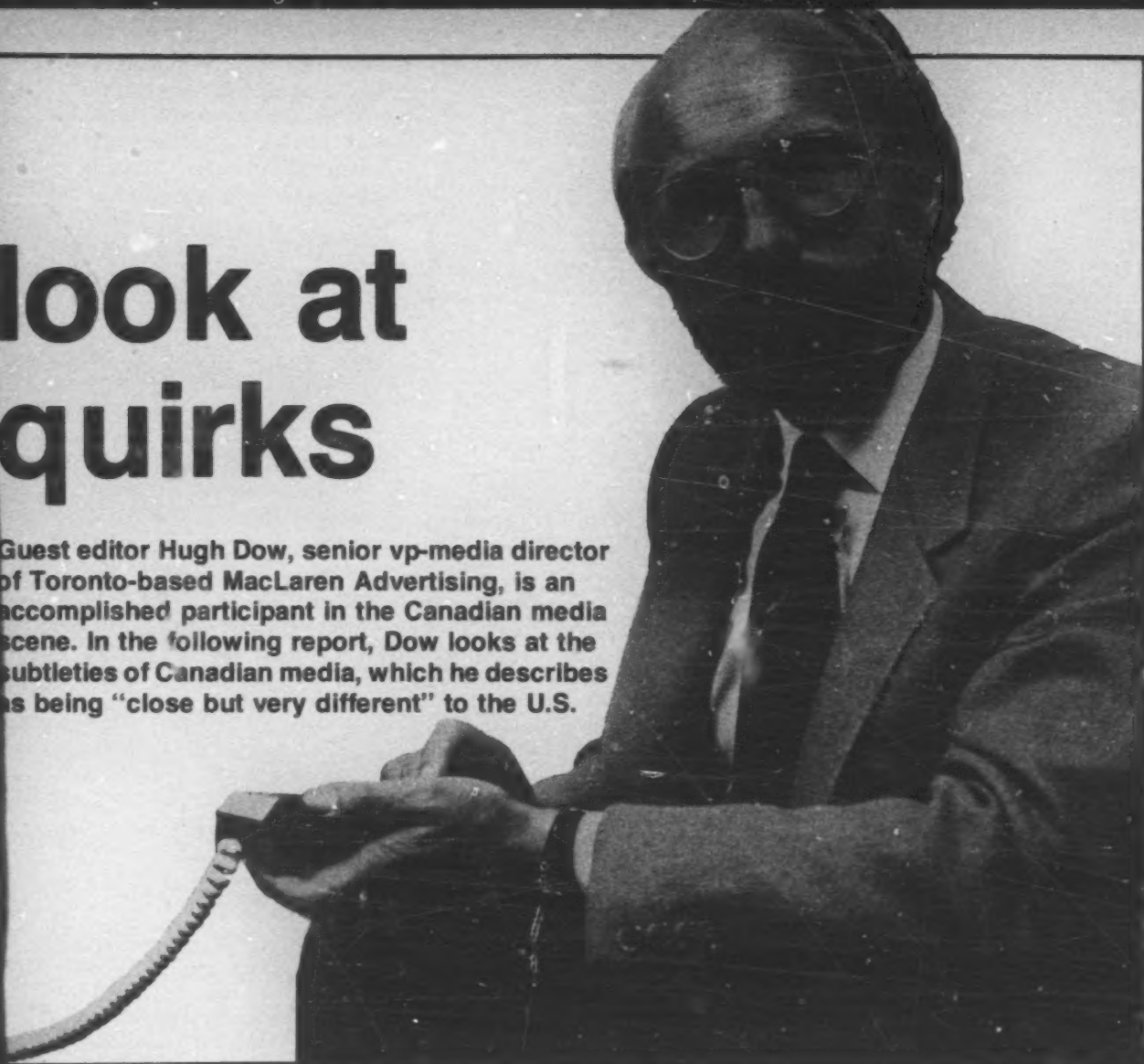
— which is one of two such services in that country.

A native of Liverpool, England who began his career as a client rep with Britain's version of Nielsen, Dow has designed and created several editions of the Television Reach/Frequency Guide used by Canada's advertising community for media planning. He also found some spare time and paper to pound-out the Multi-Week Television Reach/Frequency Guide and the Multi-Week Frequency Distribution Guide.

Dow has been with MacLaren for 13 years, the past seven of which have been as media director. The agency currently bills about \$18 million from accounts that include General Motors of Canada, Imperial Oil (Exxon), John-Deere, Kitchens of Sara Lee

# look at quirks

Guest editor Hugh Dow, senior vp-media director of Toronto-based MacLaren Advertising, is an accomplished participant in the Canadian media scene. In the following report, Dow looks at the subtleties of Canadian media, which he describes as being "close but very different" to the U.S.



(Canada) and Molson's Brewery.

In the following article, Dow offers an overview of the subtleties that, in his view, make the Canadian media scene "close but very different." He prefaces his report with the note: "Apologies are offered in advance to those Canadian media and media vehicles that unfortunately could not be covered in this article."

## Media complexity

Canada's unique combination of geography, language and overflow media make the Canadian media scene one of the most complex in the world.

The general dispersion of Canada's 24,000,000 population in an east to west strip some 3,000 miles long and about 200 miles wide presents great

difficulties for the physical distribution of media units. National daily newspapers, in turn, are not a significant media factor in Canada. Although magazines have adapted well and are regarded as a viable national medium, the advantages of electronic transmission have resulted in the television medium developing into Canada's foremost national media form.

Canada is, of course, a country of two official languages. The French market representing 25% of Canada's population is located primarily in the province of Quebec. With distinctly different marketing and media patterns, the French market requires, in the majority of cases, appropriately different marketing, creative and media approaches. The Canadian media practitioner must be aware of

these differences to plan and purchase effectively. In addition to the French market, Canada also has sizeable ethnic population groups. Toronto, for example has over 500,000 people of Italian descent. Here again, means of reaching these groups, when required, must be incorporated into media planning.

The majority of Canadians can receive U.S. television signals and can purchase U.S. magazines. Canadian media vehicles must therefore compete with these "overflow" media. Canada's continuing attempts to preserve Canadian media forms, production facilities and the presentation of Canadian culture are naturally of prime concern to many government and industry bodies. Examples of legislation intended to protect and preserve





◀ Dow (far left) moderates one of his 30-person department's weekly Monday media seminars. The hour-and-a-half sessions are designed to develop staffer's presentation and research skills.

Canadian media will be referred to frequently in this article. No disrespect to U.S. media owners is intended. The examples are used to illustrate how Canadian media is adapting to the availability of obviously attractive and, in many cases, superior media forms from south of the border.

## Broadcast overview

There are some substantial differences between the Canadian and United States broadcast scene. The most obvious of these is the strong position that Government has taken in Canada towards involvement with both radio and television media. The Canadian Broadcasting Corporation (The CBC) is a Crown Corporation responsible to the federal government.

The CBC provides both English and French television and radio network services. Stations in most major markets are owned and operated by the CBC. Others are privately owned affiliates and have joined the CBC network. The CBC television service relies on advertising to practically fund its operation. For example, the CBC English networks' current operating budget is \$400 million annually. About \$95 million is derived from advertising revenue. The remaining portion is from public funds. The radio networks rely entirely on government funding since they don't accept adver-

tising. The CBC television networks compete in the media marketplace with privately owned networks and stations.

Government involvement in broadcast media is also evident in the strong position occupied by Canada's regulatory body - The Canadian Radio-Television and Telecommunications Commission (The CRTC). This federal agency established by the Broadcasting Act of 1968 is empowered to license and regulate all Canadian broadcasting both public and private. To provide an indication of the extent of the CRTC's mandate, the following are some of their primary areas of responsibility:

- The ownership structure of broadcast outlet
- Television and radio station license application and renewal
- Cable television license, renewal and fees
- Pay television licenses and policy
- Simulcasting and program substitution policy
- Script approval for food, drug and cosmetic products
- Policy for and monitoring of Canadian content in programming and commercial production.

Obviously the degree of Canadian legislation is far higher than in the United States. If anything, the power and control of CRTC has increased in recent years. This is in direct contrast to the FCC, which increasingly ap-

pears to be adopting an "open skies" policy. The underlying reasons for the strong role government plays in the Canadian media scene will become less clear as the future of legislation in an era of North American satellite transmission and new video media forms.

Finally, an alarming development in Canada in recent years has been the introduction of taxes on advertising. Currently, two provinces, Quebec and Newfoundland, impose taxes of 2% and 4% respectively on net broadcast dollars. These taxes have not been well received by the advertising community.

Canadian media planners and buyers must continually be aware of the myriad of federal and provincial restrictions that exist. These affect not only the extent and form of media placement but have a direct bearing on the future development of Canadian media forms.

## The tv picture

The television medium in Canada is highly developed. 57% of households have television sets, 56% have more than one set and 90% have at least one color set. The average Canadian adult spends just over 25 hours a week with the medium somewhat less than the 30 plus hours per week reported for viewers in the U.S. This gap is accounted for by differences in the measurement systems employed and perhaps the greater programming emphasis placed, in the U.S., on daytime dramas and weekend sports.

Canadian viewers display a marked preference for programs of U.S. origin. On a recent list of top 10 network programs only 2 Canadian programs, *Hockey Night in Canada* and *Fifth Estate* (a public affairs program), secured rankings. U.S. programs such as *Dallas* and *Three's Company* have for many seasons generated the largest network program audiences in Canada.

The Canadian television scene is renowned for its high cable penetration. Nationally some 53% of homes are hooked-up to a cable system. Cable penetration stands at around 40% nationally. In most major urban markets, however, penetration is considerably higher — usually exceeding 70%. In Vancouver B.C., for example, where cable first developed, penetration now stands at 85%. Saturation levels for cable are probably close at hand due to the cost of providing cable service to rural areas. Cable licenses are granted by the CRTC on a mutually exclusive geographical basis. Subscription rates and the channels offered must also receive approval from the CRTC. Cable in Canada has developed as a means of distribution for conventional off-air television signals.

The sales of advertising time by cable companies is not permitted — a distinct difference to the situation in the U.S. Cable companies in Canada are, however, encouraged to provide community services. Many of them do this by offering public access channels or general consumer services such as tv listings, supermarket price comparisons, etc. Even in these forms the cable companies are not permitted to sell advertising.

One of the main reasons a Canadian consumer would subscribe to cable would be to receive good quality U.S. signals. As cable has grown in Canada so has the amount of time Canadians spend tuned to U.S. channels. Currently 24.1% of all viewing time is spent with U.S. stations — a steady growth from 18.4% in 1970. These percentages do not, of course, take into account the amount of time Canadians spent with the U.S. programs purchased and screened by Canadian networks. When examined in terms of the number of U.S. channels made available to Canadian viewers, cable is often cited as the primary cause of audience fragmentation. It should be recognized, however, that cable has also been instrumental in distributing Canadian signals to markets that would otherwise have only poor quality off-air reception.

The latest development in Canadian cable has been the introduction of the cable converter. This device has enabled cable companies to provide up to

105 television channels. Of course, not all of the channel positions are currently occupied. The device became a necessity when, in the mid '70s, all available dial positions were filled in most major markets. Converters have also enabled cable companies to expand their revenue base as both access and the converter itself involve additional charges from the cable companies. Currently, penetration of cable converters is primarily confined to major markets. In Toronto, for example, 68% of cable homes now have a converter.

The prevention of audience erosion, particularly to U.S. stations, has pre-occupied many Canadian broadcasters and legislators. Probably the most effective counter-technique is a practice called simulcasting. This practice is only made possible by means of cable and Canada is probably unique in the circumstances which have led to its development. Simulcasting involves the deliberate scheduling by Canadian television stations so that certain U.S. purchase programs are aired at the same time as the identical program on nearby U.S. border stations. The Canadian stations can then request

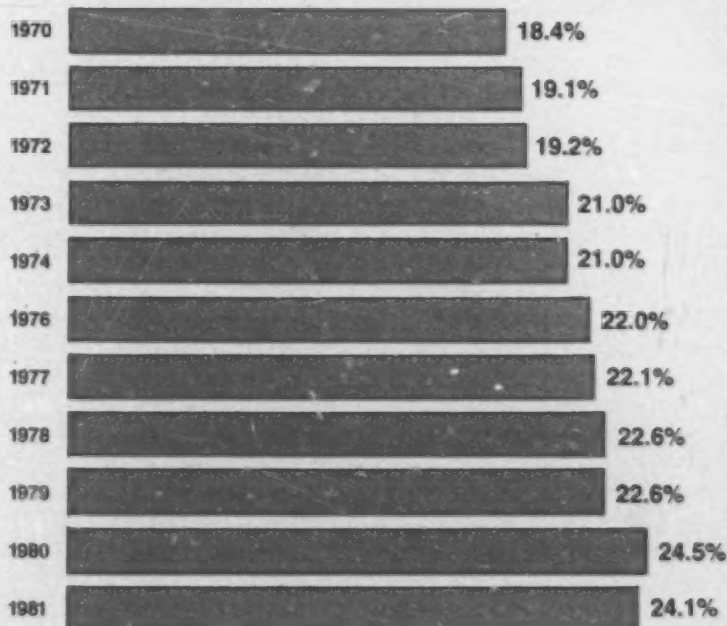
(with CRTC backing) that all cable companies in the area replace the U.S. transmitted program with the identical Canadian signal.

The same Canadian program complete with commercials, therefore runs on two different cable channels at the same time. This may naturally cause some confusion to the viewer who turns in to Channel Four and finds Channel Eight's call letters. It also causes some difficulty with audience measurement. Both rating companies have adopted special procedures whereby the Canadian station is accredited with the audiences transferred by cable from the U.S. stations. Naturally, many stations charge a premium for simulcasting. This practice should be noted by multi-national companies who may assume that U.S. advertising placed in Buffalo or Seattle will reach Toronto or Vancouver. Simulcasting may in fact be effectively removing a large portion of their television weight in these Canadian markets.

Simulcasting and Federal Legislation have been the main points in what has been termed the "re-patriation of

Continued on page 38

## U.S. Stations' share of Canadian viewing



Source: BBM Fall Surveys

the Canadian advertising dollar." The controversial Bill C-58 introduced in 1976 disallowed broadcast purchases on U.S. border stations as a deductible business expense if they were directed to a Canadian audience. Sharply reduced media placement on Buffalo and Seattle stations resulted. Whether these policies will continue to be effective in an era of satellite transmission, DBS or dish antennas, remains to be seen.

Pay television, now a major factor in the U.S. media marketplace, will soon arrive in Canada. The CRTC, after some ten years of deliberation, announced in February 1982 that six pay television licenses had been granted. Two of these licenses are for national services and four are for regional. A viewer in Ontario, for example, will be able to choose from three pay television services. All of these services are scheduled to begin operation in February 1983. Little is known at this point regarding specific programming, pricing or marketing plans.

In contrast to the U.S., the Canadian pay television services will not be available for commercial advertising purposes. They will be distributed via cable and accessed through converters. A number of the companies will also be relying on satellite distribution of signals. A major question in Canada at the moment is with respect to the penetration these pay television services will achieve. An obvious temptation is to examine pay television development in the U.S. and to draw some conclusions regarding Canadian development. This approach is generally regarded as being somewhat fallacious because of differences in the regulatory environment, the revenue base and degrees of audience fragmentation. These factors would tend to inhibit the development of pay television in Canada.

On the other hand, Canada is heavily cabled and penetration of converters is at reasonable levels. Most industry observers predict that Canadian pay services, given the right mix of programming, pricing and promotion, could achieve a 30% penetration within five

years of its launch.

The implications of the current and future developments in the Canadian television environment for media planning and buying are numerous. Audience fragmentation as it currently exists in most major markets requires the careful assembly of a large number of media units in order to make up a meaningful television purchase. As degrees of fragmentation vary by market, careful attention is paid to the optimum integration of network and spot weight. Most television plans will involve a base of network with spot television used to supplement delivery in major markets where fragmentation is at its worst. Media planners and buyers must also be constantly aware of programming developments in the U.S. There is no point in purchasing a U.S. program carried by a Canadian network if that program stands a good chance of cancellation in the U.S. New program performance predictions are thus particularly hazardous in Canada.

The Canadian television scene will continue to be affected to a very large degree by developments in the U.S. This combined with general North American developments in video tech-

nology and transmission can only add to the future complexity of Canadian media planning and buying. Investment in superior methods of coping with the rapidly changing environment must be made if Canadian media departments are to continue to operate expediently and efficiently.

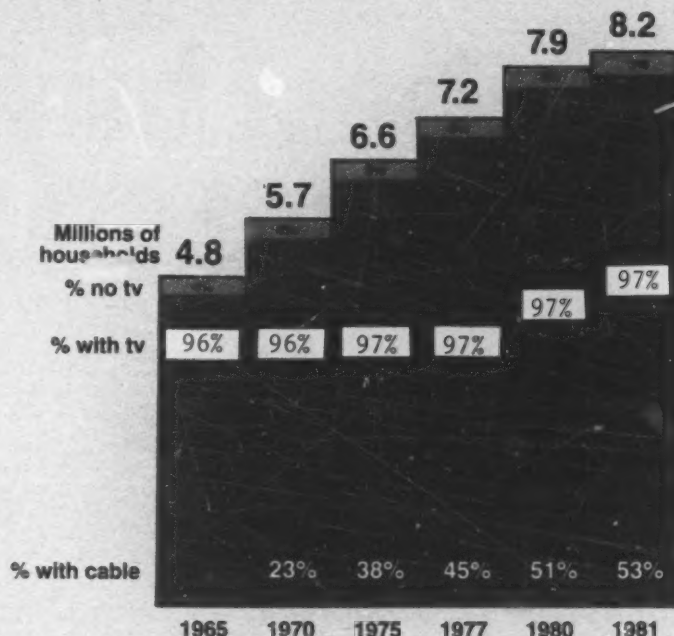
### Canadian-styled tuning

As of the latest count there are 390 AM and 198 FM stations operating in Canada. Excluding the CBC's non-commercial stations there is a grand total of 525 radio stations available for media placement.

Radio, being primarily a local or regional medium, is not affected to a great degree by spill from the U.S. Although in Canadian terms it is a fragmented medium, with up to 15 stations available in any one market, U.S. radio fragmentation is, in fact, far more severe. In Canada each radio station services an average population base of 47,714 people. In the U.S. each of the 7,966 radio stations provides service to an average of 28,371 people.

Radio tuning in Canada has shown a

## % Canadian tv households with cable



Source: A.C. Nielsen



gradual increase in recent years. In 1976 the average Canadian adult spent 19.5 hours per week tuned to radio. By 1980 this figure had risen to 21.5 hours. Latest data for 1981 does, however, indicate some fallback from this level. Tuning levels in the U.S. would appear to be slightly higher than in Canada, averaging 24.2 hours weekly for Adults 18 plus. A major portion of radio listening is now accounted for by tuning to FM stations. This segment of the medium accounts for 32% of all radio tuning — a dramatic increase from the 17% it accounted for in 1977. As 95% of households and 44% of cars are currently FM-equipped, the steady increase in FM tuning is expected to continue and to catch up with that reported in the U.S.

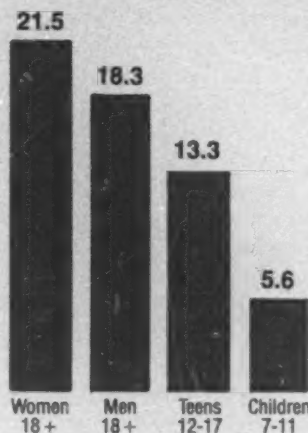
In contrast to the United States, there are no radio networks available in Canada for media placement. Although the CBC operates a national network, it's a non-commercial one.

In recent years there has been some development in radio program syndication. The development of satellite technology will undoubtedly assist in this area. Simulcasting has also been used in radio. This involves a simultaneous transmission of both a television audio and radio signal whereby full stereo sound can accompany a television program. Although it is used to good effect for such formats as rock concerts, it is not a widespread practice due to its somewhat limited application.

A great variety of radio formats are available in most major Canadian markets. The most extreme of these is probably an all-news format which after an initial rocky period now appears to be holding its own. Competition between stations is intense, particularly in major markets where two or more stations try for the same demographic segment of the market. Negotiations for media time are commonplace — not necessarily in terms of rate cutting — but in terms of concessions provided by the radio stations. Most radio time is sold on a time-block, rotation basis. Computer analysis such as that provided by Telmar is frequently used in support of sales claims.

As with television, the radio medium is closely regulated by the

**Average weekly hours tuned to radio per Canadian**



Source: BBM Fall 1981

CRTC. Apart from the granting and renewal of licenses, the CRTC imposes strict quotas on content and format. Most noteworthy of these are the content requirements for Canadian music. 30% of all records played must comply with certain stipulations pertaining to Canadian content in lyrics, composition, artists, etc. This, since its introduction in the early '70s, has been of great benefit to the Canadian recording and music industry. There are also restrictions on the number of commercial minutes that can be sold in any week. Current regulations ensure a maximum of 1500 minutes per week for AM stations and 1050 minutes for independent FM stations. There are, of course, no comparable FCC restrictions in the U.S.

The future would appear to be bright for the radio industry in Canada. The medium has adapted well to heavy competition from television and with its unique advantages is capable of capitalizing upon the technological difficulties which will undoubtedly be experienced by many other Canada media forms.

### A tough environment

Over 350 different ABC-audited U.S. consumer magazines are available in Canada. There are in fact more U.S. titles available than Canadian. The one-issue circulation of U.S. magazines is about one-third of that provided by all Canadian consumer

magazines.

This massive overflow is the primary problem that Canadian magazine publishers must contend with. It is the reason why the Canadian advertising economy has been unable, as yet, to support a full range of specialist magazines of the types found so extensively in the U.S. (e.g., romance and confessions books, fashion and charm magazines, popular mechanics journals etc.). Although these publications are well known to Canadians via newsstands they have no real counterpart in Canada.

One of Canada's unique solutions to an extremely competitive magazine environment has been the development of controlled circulation magazines. These publications are delivered without charge to pre-selected households in designated markets. Currently there are some 14 controlled circulation magazines available, generating a combined circulation of over 3.5 million copies.

When controlled circulation magazines were first introduced in 1966, the concept was greeted with some skepticism. The advertiser's primary concern was the quality of editorial and the relative emphasis placed on content by the magazine versus delivery of the circulation numbers.

Through quality of product, promotion and extensive research the skeptics were proved wrong. Today controlled circulation magazines are a major force in the Canadian market place. The leaders in the field are, without question, Comac Communications Limited with a stable of five controlled circulation magazines. These include *Homemakers*, delivered to 1,330,00 households in the top 28 English speaking markets, its French counterpart, *Madame Au Foyer*, delivered to 310,000 copies in the top 10 markets and *Western Living* with 181,000 copies in major western cities. In addition to the Comac group there are a number of other controlled circulation magazines, primarily of the regional or city book type.

Canadian subscriber-based magazine titles are in some cases familiar to U.S. readers. *Readers Digest* (1,329,000 circulation) and its French counterpart *Selection Du Readers Digest* (323,000) use Canadian editorial

*Time* magazine (319,000), however, uses no Canadian editorial but is printed in Canada. Canadian advertisers using *Time* cannot, under the auspices of Bill C-58, claim the cost of advertising in this magazine as an allowable business expense. The Canadian edition of *TV Guide* (945,000) is one of a multitude of both national and regional tv listings publications. Major home-grown consumer magazines include *Chatelaine* (1,090,000) and its French counterpart *Chatelaine* (302,000) which are monthly women's publications. Canada's news magazine, *Macleans*, is now published weekly and has settled down to a circulation of 655,000 copies.

Newspaper-distributed rotogravure magazines were dealt a major blow earlier this year with the demise of *Today* (3,045,000). *Perspectives* (598,000) in French Canada is now the sole remaining survivor of this once important segment of the magazine market.

### Dailies' dimensions

There are currently 117 daily newspapers in Canada. They generate an average daily circulation of 5.6 million copies. This circulation level represents a daily household reach of 69%. In spite of some recent closures, the number of daily newspapers has increased from the 112 published in 1970 and 114 published in 1975. Circulation has also increased in this period of time — up from 4.8 million copies in 1970 and 4.9 million in 1975.

Two markets in Canada, Montreal and Toronto, are served by three or more daily newspapers. In Montreal, three French and one English daily papers are available, in Toronto, 3 English papers are published. Apart from these markets, another ten markets support two or more daily papers.

The most spectacular daily newspaper success story in recent years has been that of the *Toronto Sun*. First published in 1971 by ex-employees of the defunct *Toronto Telegram*, this morning tabloid had an initial press run of only 78,000 copies. Today, circulation has climbed to 249,000 copies. In November 1973 the *Sun* introduced a

Sunday tabloid at 125,000 copies. Today circulation stands at 428,000 copies. The MacLean-Hunter publishing group recently bought 49.7% of the paper for \$54 million (Canadian). In addition to Toronto there are *Sun* dailies in Calgary, Edmonton and Winnipeg. They have not, however, enjoyed the same success as that of the *Toronto Sun*.

An interesting recent development in the area of new technologies has been the *Toronto Globe & Mail's* use of satellite distribution. The daily now has the capability of being transmitted from Toronto for publication in Vancouver, Calgary, Montreal and Moncton. This is enabling the *Globe and Mail* to position itself as Canada's first national daily newspaper.

As in the U.S., a number of Canada's newspaper publishers are involved with videotex technology. Informart, the worldwide marketing representatives of Canada's Telidon technology, is jointly owned by the *Toronto Star* and Southam Newspapers. A considerable investment is being made in videotex field trials throughout Canada.

Until recently the daily newspaper industry in Canada was poorly represented in terms of audience research. Today after a concerted effort by the Newspaper Marketing Bureau, on-line computer access is available for readership studies conducted on 29 newspapers in 15 major markets.

### Other Canadian media

The outdoor medium in Canada has shown a dramatic transformation in recent years. New media forms such as mall posters, backlights, junior posters and transit shelters were not available as recently as five years ago.

Outdoor is sold aggressively by two marketing firms; Mediacom, which represents all six outdoor forms in Canada and Urban Outdoor, which provides competitive representation in the area of backlit boards. A new entrant in the marketplace is Mallcom who will be specializing in mall posters.

The outdoor medium is sold on a grp basis with sophisticated computer programs showing potential reach/frequency levels on a market-by-market

basis. The Canadian Outdoor Measurement Bureau provides traffic counts for each outdoor location. These then form the base for rating point delivery and subsequent reach/frequency calculations.

The transit medium in Canada consists of three forms: bus boards, (exterior), car cards (interior of buses and subways) and subway (platform posters, spectaculars and door cards). Subway advertising is available only in Toronto and Montreal. Although most transit is sold on a unit basis, recent developments include the establishment of grp's.

Some research is available on the medium.

### Summary and conclusion

This article has attempted to cover a great deal of ground. It should leave little doubt that the Canadian media scene is radically different to that in the U.S. or, for that matter, any other country.

Canada has adapted to a unique set of media circumstances. In so doing it has developed new media systems, procedures and methods of measurement. Legislation of the media has, in most cases, been vital and although troublesome from a media planning and buying point of view, has been instrumental in the continued survival of many media.

Canadian media planning and buying is, to many U.S. advertisers who have worked with Canadian agencies, becoming increasingly sophisticated. Because there are fewer markets and, in most cases, fewer media forms, greater emphasis appears to be placed in Canada on the strategic components of planning and buying in all forms of media available.

There are major challenges to be faced in Canada in the next few years. The advent of pay television and the impact of new media forms will be closely watched. Existing media forms will also be affected and adjustments to both planning and buying will inevitably be required.

The Canadian media community's resourcefulness has been amply demonstrated in the past. We will undoubtedly cope with future changes in the same innovative fashion. ■

# Singles boom now ... but bust later

**Singles now make up 34% of the adult population and are posing a challenge to marketers. More magazine readers than tv viewers, the singles also have significant discretionary income. But a swing back to less self-involvement is predicted by agency research directors.**

**A**loneness is emerging as a significant and growing life style.

Whether it comes because of individual preference, sociological trends, economic conditions, or demographic forces, the growing number of singles in the United States is a factor marketers and advertisers must watch with increased attention.

Manifestations of the phenomenon of singleness are rife in everyday life. The sight of numbers of people in urban settings walking, riding and working in the aural isolation of private headset sound is now common and unremarkable. Larger numbers of individuals are seeking the company and stimulation of computer and arcade electronic games as well as the individual information access provided by a computer terminal in home or apartment.

An increasing number of people are choosing to live singly rather than in couples, or the traditional family unit.

The Census Bureau forecasts that by 1990, close to one half of all U.S. households will be non-traditional — men and women living alone.

But agency research directors con-

tacted by *Decisions* project a decline in the number of singles as the decade advances because of economic pressures, a decline in the number of young people in the population, and greater desires for connectedness.

The situation has been addressed by a research report from Young & Rubicam, which sets forth the statistics defining the growth of the singles life style. Between 1970 and 1980, the percentage of the population that is married shrank from 69% to 62%; the percentage of divorced doubled from 3% to 6%, and the percentage that is single rose from 16% to 20%.

Over the decade, the number of singles increased from 40.1 million to 58.7 million, according to the 1980 census count, and many indications suggest the total will continue to rise throughout the decade. At present, singles account for two out of every five adult Americans.

A breakdown of the singles population shows they are 57% female/43% male, and more than half of them are under 35 years of age.

By category, 53% have never married, 21% are widowed, 17% are di-

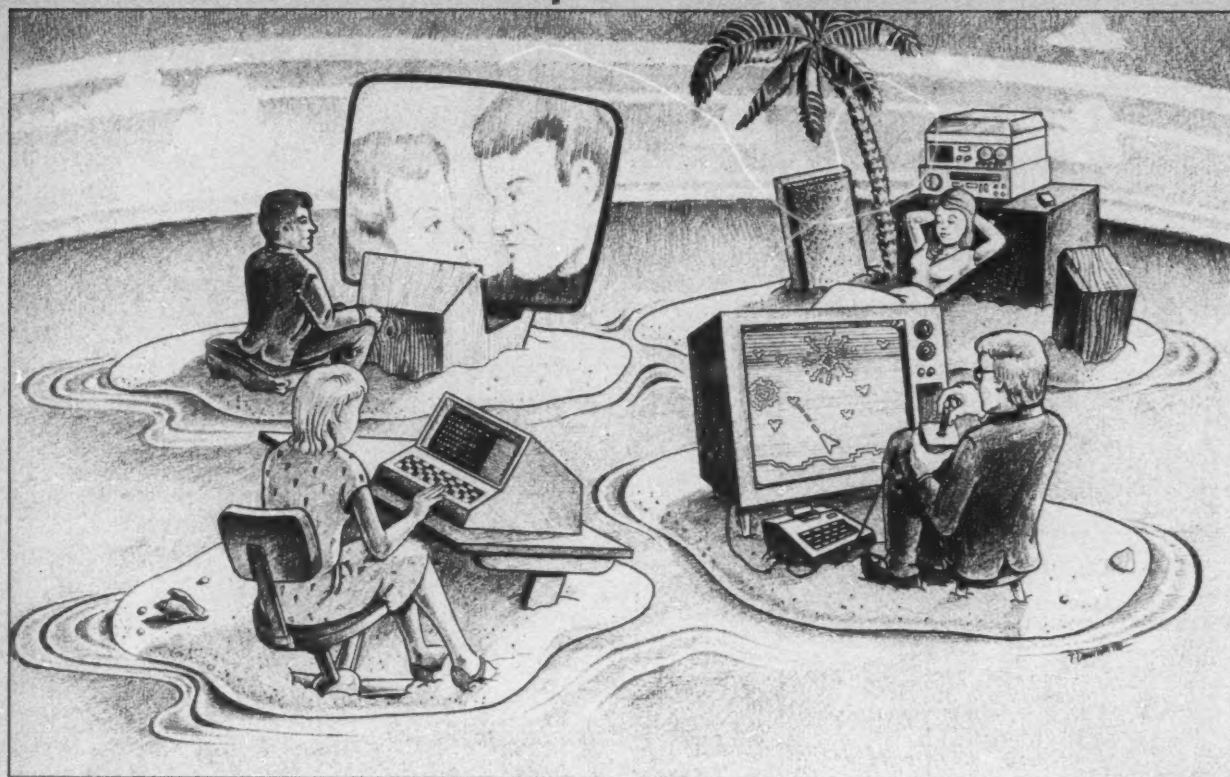
vorced, and 9% are separated. Geographically, they are fairly evenly distributed across the country representing one third of each region's population.

The largest share of never marrieds (61%), fall into the 18 to 24 age category, and another 22% into the 25-35 group. In the divorced group, the age distribution is fairly even: 30% in the 25-34 quintile; 25% in the 34-44 quintile; and 31% in the 45-64 quintile. The bulge among separateds also falls into these three quintiles. Among the widowers and widowed, the bulge is in the over 65 quintile, with 68%. Another 28% fall into the 45-64 quintile.

The Young & Rubicam report notes that the composition of the singles market is continually changing, and is a constant challenge. "New people enter the singles market and others leave, making it an ever evolving market. Consequently, if an advertiser continues to be interested in reaching singles, a constant effort is necessary to attract the attention of new people entering the marketplace."

Causes for the expansion in the singles population are attributed to the





maturation of the baby boom generation, the sharp increase in the divorce rate, from 47 per thousand to 100 per thousand persons, the trend toward later marriage, and an increase in the popularity of pre-marital living together.

The view taken by the Y&R report is that the 18 to 34 singles market is the one of greatest potential, and reflects lifestyle rather than marital status, and that it is a lifestyle that reflects freedom. Findings on the group show:

- Financial commitments are few in comparison to the older segment who have responsibilities for mortgages, alimony and child support.
- They have no family responsibilities associated with the older singles who have a greater tendency to be divorced, separated or widowed with children.
- The singles are young and energetic and have great mobility.

In the recent past, the single life was regarded as a temporary or transitory phase led by post-adolescent "swingers" who lived in singles complexes while "waiting anxiously to become betrothed." But in the early 1980's

that phase of life has been placed in a different and more valid context. Singles are viewed as being single by choice rather than by chance while consciously committing themselves to such a lifestyle, Y&R reports.

How singles view themselves is disclosed by a Stanford Research Institute study of Values and Life styles (VALS). Singles account for 94% of those who identify themselves with the "I-am-me" life style definition. They also account for 36% of the "experimentals." The singles barely show up in the "achiever" and "belonger" categories, where the marrieds are tightly clustered.

The profile of the "I-am-me" type person shows someone more likely to be dissatisfied with finances, to try new and different things, to say tv is not his or her main form of entertainment, to prefer going out to staying home, to act on hunches, and to spend rather than save money.

The "experimenters" profile is similar. They are most likely to rebel against their upbringing, and least likely to agree that tv is their main form of entertainment.

Singles also tend to be physically active, joining health clubs and participating in activities such as painting, sculpting and drawing, motorcycling and bicycling. By contrast, marrieds are strong on needlework, outdoor gardening, cooking and adult education courses.

Product areas in which young singles show higher than average consumption patterns include travel accessories, spirits (particularly tequila, rum and cordials), imported beer, ale, high-fi and recorded music, books, mineral water, gold jewelry, imported cars (particularly Toyota, and Chevrolet Camaro among domestics), and sporting goods, according to 1981 SMRB data.

Although on average, singles have substantial earning power, they are well below average in their use of banks and financial services.

#### Media habits

Media habits of the singles show a marked preference for print over electronic delivery for visual material, according to the Y&R report:

- Singles read an average of 7.1 magazines per week from categories

# WHY THERE'S A SURGE IN THE SINGLES MARKET

## PROFILE OF "SINGLES"

|               |     |
|---------------|-----|
| Never Married | 59% |
| Widowed       | 23% |
| Divorced      | 18% |

## LIFE EXPECTANCY

|      | MEN  | WOMEN |
|------|------|-------|
| 1960 | 66.6 | 73.1  |
| 1970 | 67.1 | 74.8  |
| 1980 | 69.9 | 77.8  |

## DIVORCE RATE

(Divorced persons per 1,000 married persons)

|      |     |
|------|-----|
| 1960 | 35  |
| 1970 | 47  |
| 1980 | 100 |

Source: Statistical Abstract of the United States: 1981

## MEDIAN AGE AT FIRST MARRIAGE

|       | 1950 | 1960 | 1970 | 1980 | 1981 |
|-------|------|------|------|------|------|
| MEN   | 22.8 | 22.8 | 23.2 | 24.7 | 24.8 |
| WOMEN | 20.3 | 20.3 | 20.8 | 22.0 | 22.3 |

Source: Bureau of the Census  
Series P-20 No. 372

## CHANGES IN SINGLES POPULATION 1960-1979

(in millions)

|               | FROM<br>POPULATION<br>INCREASE | OTHER<br>FACTORS | TOTAL<br>CHANGE |
|---------------|--------------------------------|------------------|-----------------|
| NEVER-MARRIED | 15                             | 4                | 19              |
| DIVORCED      | 1                              | 5                | 6               |
| WIDOWED       | 4                              | -2               | 2               |
| TOTAL SINGLES | 20                             | 7                | 27              |

Source: American Demographics, November 1981

relating to lifestyle, health, leisure, recreation, shelter and fashion.

- They prefer album-oriented rock, soft rock, black and contemporary-disc radio formats.

- Older age groups (concentrated in the divorced/separated/widowed segment) watch more tv than the younger group of "never married" singles.

- Singles watch more television during late fringe hours than the average adult.

With the lower television viewing levels of younger singles, the Y&R report suggests that the use of tv must be on a selective basis. But cable is recommended, in part because of the higher discretionary spending power of singles, and also because it provides the opportunity to offer specifically tailored programs at time slots when singles are most likely to be watching, particularly late fringe.

Singles use of newspapers is below the national average, between five and 10% under, for daily and Sunday publications. But sections which could pull better for the single segment include entertainment, sports, travel and lifestyle sections.

In its conclusions, the report suggests cable and segmented forms of broadcast will assume increasing importance to reach singles, as will new magazine categories built around personal interest trends and activities.

Although singles, particularly the younger ones, are currently expanding their demographic domain, agency research directors view their expanding dominance as being a short term phenomenon. A pendulum swing away from the pleasures of selfish indulgence, a reaction to alienation and rootlessness, and desires for deeper relationships are expected by Eleanor Holtzman, executive vp-director of research, McCann-Erickson, and Edith Gilson, senior vp-executive director of research, J. Walter Thompson.

Ms. Holtzman sees an increasing "hunger in people for roots and emotional relationships, for family ties and a reaction against alienation." She envisions that coming in the form of "a subtle turn-around."

"People have been a product of their environment. They have not wanted to be tied down, but they also don't want to be alone."

She predicts that "there will be a continuation of separations, but a factor in this will be the rate of economic growth." In difficult economic times, people simply can't afford the cost of a separation. "There will probably also be a continuation of serial marriages."

Ms. Gilson at JWT believes the straight line projections made by the Census Bureau must be tempered by an awareness of attitudes and the uncertainty of the times. And as the baby boom generation matures, she suspects a need for increased togetherness will emerge. "In 10 to 20 years, we could go back to such older structures as the extended family, or communal living arrangements. There will be fewer young people in the population then."

"We see that living alone is not a healthy way of being. In the future we may not have Social Security and may need new forms of shared expenses. And thinking about the degree of self involvement we have experienced and witnessed, I think there will be a move away from narcissism toward more sharing. This need hits people as they get older. We could see things change

Continued on page 155



as dramatically in the next 10 years as they did in the previous 10 years."

Both see the packaging and advertising done by Stouffers as exemplary responses to the growing singles market as it currently stands. Ms. Gilson suggests that the growth in single households should give "a boost to appliances and furnishings sales." She also believes that singles often see a condominium purchase as a hedge against inflation.

In package goods, "There is a need for smaller sizes in cleaning and paper goods as well as packaged foods. Otherwise there is likely to be a longer repurchase cycle. In smaller households I think people are more careful with their goods. And the burden of survival falls on one person," which she thinks eats into leisure time.

In automotive, she wonders how many people will want big cars and station wagons, when there are fewer, if any, children to transport, and only one person to shop for.

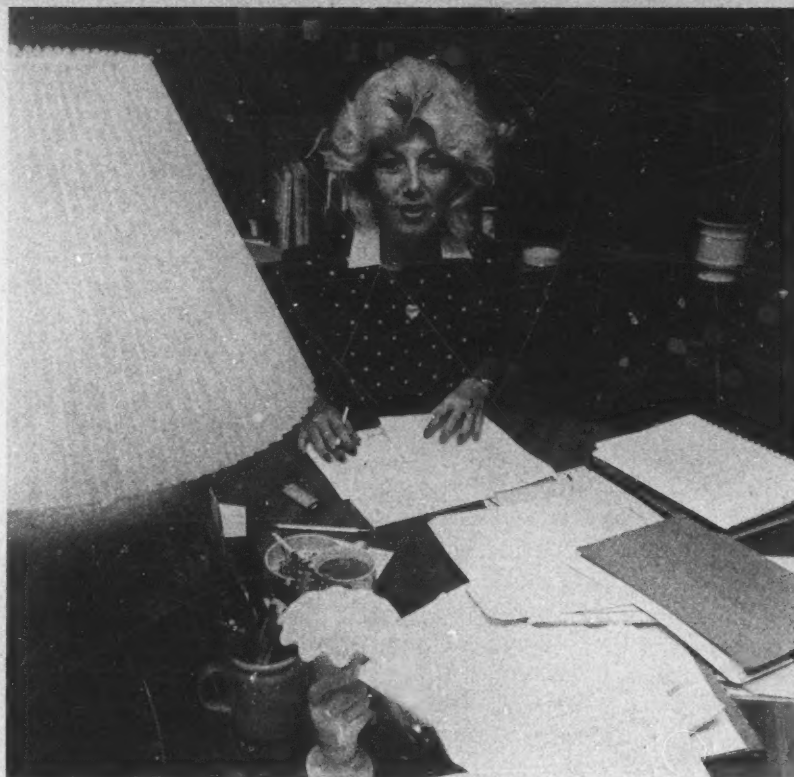
Dr. Holtzman sees a need for more half portions in prepared foods. "Few products are marketed to the single person as such. The selling of commercials and ads is done in a social context."

And even if people return to group living arrangements, she thinks that individualized food packaging will find a permanent place. "I think people living in groups will want more individualized preparations of food," she says.

Ms. Holtzman also cites Corning's single service casserole dishes, Grab-it, Solo and Side-Kicks, as an appropriate response to the situation. "While at the DKG agency, I was able to see that these dishes appealed as much to married woman as they did to single men; there was a great appeal to people whose life styles are fragmented," she says.

A similar view is taken by Karen Olshan, manager, special projects, and Michael J. Drake, senior vp. director of media planning services at BBDO. While singles are a dominant force among today's consumers, their dominance in demographics is likely to wane, in Ms. Olshan's view.

"You must be careful in extrapolat-



**Edith Gilson of JWT expects to see a return to extended family living — perhaps in communal groups.**

ing," she said, by way of a disclaimer, but went on to observe that if the divorce rate were to continue at its present rate of expansion, "the divorce rate will exceed the marriage rate by the year 2020."

Rather, she sees the current bulge in singles as a demographic singularity spawned by the post-war baby boom. "I don't think we can expect the increase in singles to continue although singleness has become an accepted status in our society. The growing expense of housing will slow the trend, and the baby boom peak will pass by."

As to how marketers can respond to the current singles bulge, Ms. Olshan says, "In acknowledging the existence of the singles market, marketers may look at it in terms of product development, packaging, media and creative. Our clients are aware of the singles market. How they are treating it varies from one product category to another."

Michael Drake finds the syndicated data shows that singles media habits trend toward magazine reading and radio listening, and away from tv viewing, save for late fringe, and

newspaper reading.

But he notes that those tendencies are true for the overall 18 to 34 age demographic as well as singles.

A succinct summary of the singles situation was put forward in a recent issue of *American Demographics*: "The singles population will probably not continue to grow as a percentage of the total population if the fairly consistent relationship between the percentage of singles and the percentage of young people continues. The number of 14 to 17 year olds began to decline in 1975. By 1985, the entire 14 to 24 age group will be shrinking. The percentage of widowed already seems to have stabilized.

"Further increases in the number of singles, therefore, will depend on more divorces. But some demographers attribute the recent deluge of divorces to pent-up demand following liberalized attitudes and laws regarding divorce. The size of the divorced population also depends on the rate of remarriage, which does not seem likely to slow. Marriage is still the preferred state — at least in the ideal."

*Fred Gardner*



## CABLE

by BEVERLY O'MALLEY

vp, associate media dir.,  
Dancer Fitzgerald Sample



### The hardware and software of cable demographics

One of the more intriguing factors about cable is that it is both downscale and upscale.

Basic cable audiences on the surface are really quite demographically average; it's the pay cable household that is harboring the heaviest user groups of so many advertisers' products. While it is clear that *all* cable will become more like the norm as penetration increases, hardware or technological factors are just as much a part of current cable audience delivery as the software or programming being carried.

The demographic desirability of the pay cable household (a little over half of all cable households) is quite significant versus the basic cable household (see box).

Advertiser-supported basic cable

would appear to reach the same audience as conventional tv. But the pay cable household has something special about it in terms of larger, younger, more affluent families with over 28% more hours of weekly television viewing. This is true if one looks only at the hardware side of the story; but it is not necessarily true if we select carefully specific programming environments that are well received in the pay cable household. Both the hardware distribution and the development of software for cable are giving advertisers very unique buying opportunities.

#### First, the hardware

Quite a few of the cable networks, particularly those which have had to launch in the new-build systems, penetrate above the norm in pay cable households. Of particular note:

|      |                                           | Per cent<br>pay subscribers |
|------|-------------------------------------------|-----------------------------|
| CNN  | Cable News Network                        | 80%                         |
| ESPN | Entertainment & Sports<br>Program Network | 70                          |
| MTV  | Music Television                          | 87                          |
| TWC  | The Weather Channel                       | 80                          |
| USA  | USA Network                               | 77                          |
| WTBS | Turner Broadcasting<br>superstation       | 61                          |
|      | <b>Average all cable:</b>                 | <b>53%</b>                  |

Source: Individual cable networks.  
Others unable to provide information.

On this basis, cable is nothing more than the hardware or the delivery system whereby *more* programming can get into the pay household. How successfully that programming competes for the viewer's time is the challenge of cable.

About two-thirds of all cable systems still have only 12-channel capacity. Increased channel capacity comes

"Telling them that 50.9% of the total subscribers to HBR are members of boards of directors got their attention."



HBR is impressive,  
and so are its  
numbers.

 **Harvard  
Business Review**

New York, NY (212) 972-0740  
Boston, MA (617) 495-6182

### Household demographic profile

|                        | Non<br>cable | Basic<br>cable | Pay<br>cable | Pay cable<br>increases over<br>non-cable |
|------------------------|--------------|----------------|--------------|------------------------------------------|
| HH income \$25M+       | 30%          | 31%            | 44%          | +47%                                     |
| HH size 3+             | 45           | 47             | 59           | +31                                      |
| HOH 18-34              | 30           | 29             | 41           | +37                                      |
| HOH 18-49              | 55           | 53             | 74           | +35                                      |
| HOH att./grad. college | 33           | 35             | 37           | +12                                      |
| Hours tv usage/week    | 44.58        | 44.25          | 56.88        | +28%                                     |

SOURCE: 1981, NTL, 1981-82

first with the newer systems now being wired in the major cities/suburbs, and then more slowly with the upgrades of older rural systems. For some newer cable networks, there is no place to go except in the urban new-builds — where cable analyst, Paul Kagan, reports pay cable subscribership runs in some cases well over 80% of basic cable signups. That makes urban/suburban cable demographically very attractive!

#### The Software

Cable is television, and will only be as good as the programming it delivers — programming that people want to watch. There is no right or wrong as to whether it is broad or narrow in its appeal. Whether mass-oriented (WTBS), or targeted (like MTV or ARTS or Black Entertainment Television), or just plain alternative programming (like USA OR CNN), cable programming that can demonstrate delivery of a viewing

audience, large or small, downscale or upscale, can attract advertisers as well, according to specific product needs.

Over time, the hardware will disappear as an issue in cable distribution and we'll be left with programming. The short-term opportunity will give way to the more lasting, fundamental one of supporting demographically defined programming environments for specific product messages.

But in the meantime those cable networks that can demonstrate both hardware delivery and audience viewing in pay cable households should have an edge on advertising dollars. They have a foot in the door of the demographically elite. ■

# We're Kelo-land tv. Our ADI No. 1's come in bunches!

**In nationwide Arbitron Sweeps!**

- #1 LATE NEWS (Women 25-54). 61 share.
- #1 LATE NEWS (Total Households). 62 share.
- #1 EARLY FRINGE (Total Households). 45 share.
- #1 TOTAL DAY (Women 25-54). 47 share.
- #1 TOTAL DAY (Total Households). 45 share.
- #1 LATE NEWS CBS (Total Households). 62 share.
- #2 EARLY FRINGE (Women 25-54). 44 Share (tie).



A CBS AFFILIATE

**kelo-land tv**

KELO-TV SIOUX FALLS, S.D.  
and satellites KDLO-TV, KPLO-TV

We sweep your  
message through this  
91-county market!



Source: Arbitron, Sweeps, May, 1982.  
Above estimates include all time slots and demographic information in equal  
facilities markets as analyzed by TV/Radio Age. Survey data estimates subject to  
usual qualifications.

Represented nationally by **SMITH** In Minneapolis by WAYNE EVANS

#### RADIO

by DAVID C. LEHMKUHL

vp., group media director,  
N W Ayer, Inc.  
New York.



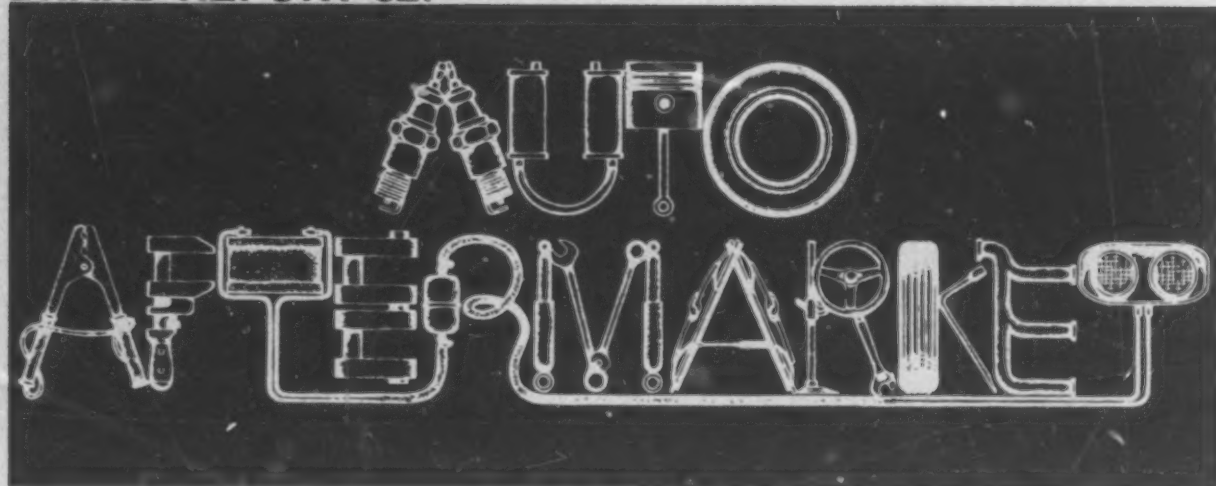
#### I hate radio!

Now don't get me wrong; as a consumer of media I love radio and the cornucopia of listening delights that it offers.

No other medium is quite so flexible and so able to adjust to my changing moods and changing informational needs throughout the day as radio. Radio, you see, can be as broad or as narrow as I want it to be — no other medium offers that.

What other medium can give me music, news, weather, talk, lousy jokes, traffic/mass transit reports, and baseball and football scores (when there are baseball and football seasons on which to report) while I am getting ready for work? When I crave a sports

## BRAND REPORT 82:



As people try to hold onto their aging clunkers for as long as possible, the result is rapid growth in do-it-yourself auto repairs and mass merchandised brake, battery and tire installation services. A 3% increase in the total number of vehicle miles has also equalled a good year for the replacement tire market.

It's an industry that could have coined the expression: "one man's loss is another man's gain," especially when it comes to spark plugs, fuel filters and rotors.

With the age of the average passenger car estimated at 6.9 years, a 25% gain in the past twelve years, car owners are unhappily finding that their aging clunkers simply aren't as fit as they used to be. As a result, the auto aftermarket is booming.

With 1980 retail sales totaling \$46.2 billion for replacement parts and tires, the Automotive Aftermarket Research Council predicts a growth rate of 5.2% over the next five years.

To stand out in a highly competitive market, major advertisers spent over \$140 million in 1981 (8-media totals compiled from Leading National Advertisers, Media Records and Radio Expenditures Report).

The main purchasers of aftermarket products are do-it-yourselfers with cars in the 2-10 year-old age range. As car labor costs continue to rise and car parts for both imports and domestic

cars become more readily available, this sector of the aftermarket continues to enjoy the most rapid growth. In fact the Automotive Parts & Accessories Association estimates that over 60% of all car-owning households perform some maintenance on their vehicles.

### View From Wall Street

Although the do-it-yourself trend has been strong in the past few years, Bruce Jordan, auto parts industry analyst for Merrill, Lynch, Pierce, Fenner & Smith predicts that as cars become more sophisticated with the latest electronic equipment to make them more efficient and reduce emissions, the backyard mechanic will no longer have the know how or specialized diagnostic equipment necessary to repair them.

Says Jordan: "I think the curve of do-it-yourselfers is in the process of flattening out. Potentially, we're facing a decline in the percentage of product that is sold to this market."

However, before their aging, old-style cars roll over and die, do-it-

yourselfers are trying to breathe new life into them without the help of trained mechanics.

According to the Automotive Suppliers Industries Association, the best selling after market parts are those required for tuneups such as resonators, mufflers, pipes, spark plugs, batteries etc.

The aftermarket distribution system consists of a complex network including 22 different channels from the manufacturer to the car owner. In addition to the traditional distribution channels — manufacturer to distributor, to jobber, to service station, to car owner — today's aftermarket also includes tire, battery and accessory stores, auto supply chains, specialty repair shops, mass merchandisers, discounters, hardware and even drug stores.

To reach the car owner who is not a do-it-yourselfer, mass merchandisers such as Sears, K-mart and a host of others are offering sales and installation of batteries, tires, brakes, mufflers.

Notes Jordan, "There are several



## Media dollars of biggest TBA spenders

| ACCESSORIES           | Magazines   | Network tv   | Spot tv    | Network radio | Outdoor   | Spot radio | Newspapers | Total        |
|-----------------------|-------------|--------------|------------|---------------|-----------|------------|------------|--------------|
| Champion              | \$ 180,000  | \$ 4,352,000 | \$ 123,000 | \$106,000     | \$ 100    | \$ 1,000   | \$428,000  | \$ 5,190,000 |
| AC-Delco              | 14,000      | 1,795,000    | 2,000      | —             | 9,000     | 4,029,000  | 149,000    | 5,998,000    |
| Fram                  | 318,000     | 2,609,000    | 225,000    | —             | 27,000    | —          | 233,000    | 3,412,000    |
| K-mart                | —           | 5,747,000    | 1,669,000  | —             | —         | —          | —          | 7,416,000    |
| Midas                 | —           | 8,497,000    | 6,192,000  | 254,000       | 2,000     | 3,605,000  | —          | 18,550,000   |
| Monroe                | 1,268,000   | 1,722,000    | 19,000     | 166,000       | 100       | 7,000      | 30,000     | 3,212,000    |
| NAPA                  | 378,000     | 2,415,000    | 1,164,000  | —             | 18,000    | 351,000    | —          | 4,326,000    |
| Sears                 | 2,141,000   | 11,806,000   | 334,000    | 450,000       | —         | —          | —          | 12,533,000   |
| Total                 |             |              |            |               |           |            |            | 60,637,000   |
| <b>TIRES</b>          |             |              |            |               |           |            |            |              |
| B.F. Goodrich         | \$5,724,000 | \$ 1,128,000 | \$ 274,000 | —             | \$ 10,000 | —          | —          | \$ 7,135,000 |
| Bridgestone           | 1,231,000   | —            | 3,796,000  | —             | 165,000   | \$ 61,000  | —          | 5,226,000    |
| Firestone             | 437,000     | 9,998,000    | 256,000    | —             | 22,000    | 88,000     | —          | 10,801,000   |
| General Tire & Rubber | —           | 2,366,000    | 1,130,000  | \$178,000     | 199,000   | 2,655,000  | —          | 6,529,000    |
| Goodyear              | 1,699,000   | 14,531,000   | 9,439,000  | 740,000       | 211,000   | 17,000     | —          | 26,637,000   |
| Michelin              | 1,516,000   | 9,506,000    | 1,799,000  | —             | —         | 111,000    | —          | 12,932,000   |
| Uniroyal              | 1,442,000   | —            | 2,871,000  | —             | 200       | 572,000    | —          | 4,885,000    |
| Total                 |             |              |            |               |           |            |            | 74,145,000   |

benefits for mass merchandisers to offer these types of services. They sell you their parts and they also build store traffic. After all what else is there to do while you're waiting 45 minutes to have your tires put on or battery installed but to walk through the store and buy something."

In addition to mass merchandisers, domestic car manufacturers reeling from an on-going decline in new car sales have also jumped onto the after-market bandwagon by touting their dealership service stations.

Statistics tend to show, however, these manufacturers are playing against unfavorable odds. Seventy-seven percent of domestic car owners never return to their original dealers for servicing after their warranties expire.

Industry observers reason that people have always had a distrust for the service departments of their car dealerships. They've found that they can get the same work done cheaper with the same parts by a service station mechanic or the guy down the street.

To counteract this impression and resurrect a long lost quality image, General Motors with its Mr. Goodwrench program and other auto manufacturers have been launching aggressive advertising campaigns.

### Replacement tire sales

Replacement tires are yet another important growth area for the auto aftermarket.

Says Saul H. Ludwig, analyst, Roulston & Co, "The tire aftermarket has held up quite well in this economy mainly because of the hard fact that people are driving more."

According to the Department of Transportation's most recent statistics, there has been a 3% increase in the total number of vehicle miles driven this year.

Another main factor affecting the tire aftermarket is the decline in new car sales. As a result, original equipment tire sales are down to \$36 million compared to a peak of \$57 million in 1978.

And due to an oversupply, manufacturers have been unloading tires onto the replacement market at huge discounts.

Says Saul Ludwig, "Price cutting is definitely going on, particularly in truck tires."

According to one industry source, Goodyear leads the other tire manufacturers with a 30% share of the market followed by Firestone's 16% and Uniroyal's 11%.

The biggest trendsetter over the past few years has been Goodyear's intro-

duction of an all-season radial tire which eliminates the need for twice yearly tire changes. In five years, sales of all weather tires have grown to 15% and are expected to account for a third of all car tires sold by 1987.

According to Leading National Advertisers, Media Records and Radio Expenditures Report, major tire advertisers spent a total of \$74.1 million in 1981. Network tv accounted for \$37.5 million, spot tv amounted to \$19.5 million and magazines totaled \$12 million. \$9.1 million was spent in network radio, \$3.5 in spot radio and the rest was allocated to outdoor and newspapers. Totals for newspaper coop, also an important category for tire advertising, are not available. Following is a brief on the current marketing and advertising strategies of 15 auto aftermarket leaders.

### ACCESSORIES

#### Champion

"One of the biggest problems with selling auto parts is consumer apathy," comments Dick Kudner, vp advertising and marketing for Champion spark plugs. Kudner contends that "people are holding onto their cars longer, but they're not maintaining them."

A recent survey conducted by Champion indicated that more people had trouble starting their cars last winter than ever before. Also significant was a decline in the number of tune-ups and spark plug replacements.

To counteract the apathy problem, Champion stresses the benefits of both tune-ups and new spark plugs in its advertising.

Roughly half of Champion's ad budget goes into network tv and focuses exclusively on sports programming.

This past fall, Champion ran spots during the world series and NCAA football games.

Cable buys include WTBS and ESPN for horse racing.

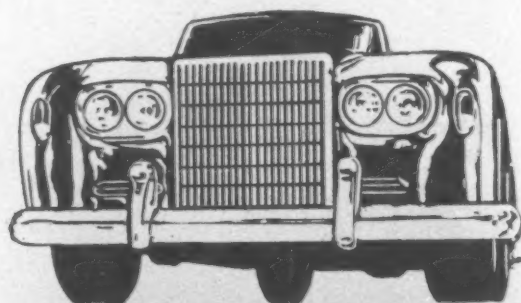
Special car care editorials, supplied by Champion, will also appear in over 500 newspapers next year. Notes Kudner, "The special car care sections we do are second to bridal features."

Champion is also running an outdoor campaign on the West Coast to introduce its new "Copper Plus"

plugs. Kudner notes that the Copper Plus is designed for small car problems such as hard starting and low-speed fouling. The ads are themelined, "New Copper Plus performance for Imports."

One of the reasons for this campaign is to clear up the misconception that Champion spark plugs are made only for larger American cars. Says Kudner: "Champion spark plugs are original equipment in more foreign-made cars than any other plug."

\$1.8 million designated for magazines (according to LNA) goes into spreads and single pages in trade books such as *Motor Service*, *Service Station Management*, as well as magazines that reach service installers and parts wholesalers.



## REACH THE MEMPHIS MARKET

New and used car dealers in Memphis and Shelby County rang up more than \$8.2 million in sales during 1981, according to the Department of Revenue. Tap this buying market by using the Memphis newspapers to reach 72% daily (84% on Sunday) of adults in the Memphis SMSA who have shopped for automobiles in the past 30 days.

Memphis is a Newspaper Market.

*The Commercial Appeal* / *The Memphis Press-Scimitar*

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Mid-South Magazine Represented Nationally by Metropolitan Sunday Newspapers  
Urban & Associates, 1981

### AC-Delco

Best known for its batteries and spark plugs, this division of General Motors, geared to the aftermarket, also sells a wide range of other replacement parts including air filters, oil filters, thermostats, distributor caps, rotors etc.

"Our main advertising goal," comments Frank Alexander, associate advertising manager, "is to make consumers aware of all of AC Delco's products."

To do so, the company advertises heavily on network tv sports programming. Although Delco is not on spot tv, spot radio is used to supplement network tv buys.

To reach an 18-54 blue collar target in print, Delco advertises in car buff books such as *Car and Driver*, *Motor Trend*, *Car Craft*, *Popular Science*, *Mechanix Illustrated*, *Hot Rod* and *Road & Track*.

A variety of ads consist of combination product with bounce-back coupons for promotional items such as AC-Delco fender covers, his & her jackets and tune-up books.

Says Alexander: "We offer these promotional items to keep the Delco name top of mind, which is key to gaining a competitive edge over other replacement parts manufacturers."

Spreads are also placed in such trade books as *Distributor News*, *Aftermarket News*, *Jobber Warehouse Execu-*



**Dick Kudner**, vp advertising and marketing (Champion) notes that people are holding onto their cars longer, but not maintaining them.



**George Drop**, manager, media services says that Goodyear is re-evaluating its media selection.



**Gerald R. Kerr**, director of advertising, sales & marketing operations, Firestone Tire & Rubber Co., is concentrating ad dollars on the firm's all-season tire.

tive, Jobber Retailer and Warehouse Distributor.

Newspapers are used periodically for special promotional offers done on a market-by-market basis.

According to Leading National Advertisers, RER and Media Records, AC-Delco's 1981 eight-media total was \$5.9 million. Alexander reports that actual expenditures were somewhat higher and the 82-83 ad budget increases were in the 15-20% range.

## Fram

According to Peter Monsarrat, sales promotion manager for Fram filters, wipers and spark plugs, "We stress the consumer benefit of our products. We recognize that every person isn't interested in reading our advertising, much less interested in the product that we're trying to sell. They probably don't even like the fact that we're trying to interfere with whatever they're trying to do. So first we get their attention and let them know what's in it for them," says Monsarrat.

Targeted to men 18-49, Fram's network tv buys tend to be sporting events. This past fall Fram ran spots during the World Series, as well as *Wide World of Sports* and basketball programming.

Fram also sponsors syndicated programs. Says Monsarrat: "Syndication can offer us some real bargains." In addition to buying time on pre-packaged syndication shows, Fram produces its own programming such as the national automotive tv quiz.

Fram runs 60-90 day flights in 12-15 markets per year to promote products in areas that show sales potential. Monsarrat notes that Fram is budgeted to do a flight this coming spring; the market has not yet been announced.

Fram's magazine schedule includes buff books such as *Road & Track*, *Popular Mechanics*, *Popular Science*, and *Hot Rod*.

The company's coop schedule is comprised of 70% newspaper, 20% radio, 5% tv and 5% outdoor.

Says Monsarrat: "We don't have an advertising agency. Everything we purchase is on an a la carte basis. We use one agency for consumer creative, another for buying, another for public relations.



## For Quality and Reliability.



**AC-Delco is the way to go.**



AC-Delco is broadening its product line from spark plugs and batteries to a wide variety of aftermarket items.

He comments further that LNA's 8-media total for 1981, \$3.4 million, was about half of what the company actually spent.

### Mr. Goodwrench

Mr. Goodwrench campaign out of GM Parts Division is not tied to a particular product. It was introduced in 1974 to advertise the quality of GM parts and service and increase traffic in dealerships.

According to a company spokes person, "We noted a definite trend away from getting cars repaired at dealerships. The customer perception was that he could get it done at a gas station for a better price, better quality and extra convenience." The Good-

wrench campaign was developed to turn this widespread perception around.

The program is advertised on all three network tv stations. Buys include sports and evening news shows that are targeted to car maintainers.

The Goodwrench print campaign includes ads in magazines such as *Time*, *Reader's Digest*, *People*, *Popular Mechanics*, *Southern Living*, *Sports Illustrated*, *Working Woman*, *US News & World Report*, *Sports Illustrated*, *Field and Stream*, *Popular Science* and *Better Homes & Gardens*.

### K-mart

To compete with Sears and GM's Mr. Goodwrench, K-mart introduced

the K-care program, a full line of battery, brakes and tires installation services.

This campaign is advertised on network tv, in magazines such as *TV Guide*, *Reader's Digest* and *People* and extensively in newspapers.

A company spokesperson says the K-care campaign is primarily targeted to males, but does not ignore females. We have testimonial advertising from both men and women.

This month the chain is scheduled to run a preprinted newspaper insert that will feature auto tools, parts and accessories.

According to Leading National Advertisers, K-mart's 8-media total for auto parts and accessories advertising was \$7.4 million in 1981. When asked to give a ballpark figure for 1982, one company executive replied, "Our overall ad budget has been chopped significantly."

### Midas

"The problem with marketing and advertising mufflers and items in our product category is that they're not an immediate impulse buy. If we run an ad, it doesn't mean that customers will come into our shop tomorrow," says Charles Graziano, ad director.

He continues, "As a result, we have to be top of mind all the time, and our media has to be spread out consistently throughout the year."

Hoping to turn its \$18 million advertising budget into gold, the Midas Touch campaign runs almost exclusively on network tv.

The target audience for this retailer that specializes in exhaust, suspension and brakes, is adults 25-54.

Graziano explains, "We try to reach both men and women. While 60% of our customers are women, the decision makers are still primarily men. However this proportion has been changing over the years with the increase of single women responsible for maintaining their own cars."

Network tv buys include a combination of sports, primetime and late fringe programming. In trying to appeal more heavily to women, Graziano notes that there has been a slight shift away from primetime and more of an emphasis on sports.



## ALL-SEASON. ALL-TERRAIN. ALL-POSITION. ALL-GOODYEAR.

### Wrangler All-Season Light-Truck Radial.

With Wrangler, Goodyear has redefined the light-truck tire. An aggressive, self-cleaning tread. Plus longer tread life, greater strength, and a flatter footprint than our bias-ply tires. And the fuel economy you expect from a radial.

You don't have to choose between highway performance and off-road capability. You can get it all, with Goodyear Wrangler Radial. Available at your Goodyear Dealer or Store.

**SPECIAL PRICE ON THIS WESTERN COAT WHEN YOU BUY WRANGLER RADIALS.**

Buy a set of four Wrangler Radials and we'll sell you this rugged western coat for just \$13. Or it can be yours for only \$26 with the purchase of two Wrangler Radials. See your participating Goodyear Dealer or Store for details. Offer good for tires purchased before March 31, 1983.



**GOODYEAR**  
QUALITY AND INNOVATION

All-season radial tire sales have increased 15% in the past 5 years.

Midas is also in spot tv in roughly 200 markets. Says Graziano, "We find that spot tv gives us more flexibility while network provides an overall corporate umbrella."

Spot radio is purchased during morning and afternoon drive times to supplement tv.

In addition to broadcast, Midas has been experimenting with magazines this year to promote its brake capabilities. Ads were placed in *Sports Illustrated* and newsweeklies (*Time*, *US News & World Report*, *Newsweek* etc.)

Midas also ran ads in buff books such as *Hot Rod* and *Car Craft*

targeted to males 18-25 for the Turbo/King and Wild Glass pack mufflers.

Graziano notes that the company's \$18 million ad budget for 1981 was increased 15-20% this year.

### Monroe

To tell small car America about the softer ride it can get from Monroe shock absorbers, this company is spending \$3.2 million (according to LNA) on a media mix that consists of 60% network tv, 20% consumer print, 10% radio and 10% newspapers.

Targeted to men 18-49, network tv

buys are exclusively in sports programming. Fall '82 buys included sponsorship of the big ten college football games.

In addition to network tv, Monroe is planning to expand its sports programming buys on cable for 1983.

Monroe has also gone more heavily into print in the last few years. Ads themelined, "The Bump Stops Here," appear in consumer print books such as *Time*, *TV Guide*, *Newsweek*, *Sports Illustrated* as well as vertical buff books including *Hot Rod*, *Car and Driver*, *Motor Trend*, *Popular Science* and *Hunting*.

Newspaper buys are in the top 60 markets. An extensive coop program includes all media.

According to Mike Sucharda, director of advertising and sales promotion, Monroe's 1983 budget will be in the \$7-10 million range, an estimated 20% increase over 1982.

### NAPA

"When the name is NAPA the standard is quality," is the theme of the National Automotive Parts Association, which is comprised of several corporations.

"There are two main components to NAPA's advertising," says Tim Matthews, president of Matthews, Muhleman & McClean, NAPA's agency.

He says, "We try to influence the do-it-yourselfer to use NAPA parts," he says. "We also try to get car owners who use professional services to go to places that use NAPA parts."

Primary audience consists of blue collar men 18-49. The secondary audience is people responsible for maintaining their cars. "We realize that women are beginning to fit into this mold," says Matthews, "so in addition to sports programming, spots also run on early and late fringe as well as some prime. Spot tv is used to supplement network in 150 markets."

Radio is the primary medium for coop advertising. NAPA supplies ads to dealers in the form of tapes, as well as scripts on a 70/30 basis.

Says Matthews about cable tv: "We're watching it very closely, especially ESPN, but we haven't made any commitments to buy as yet."

He explains one of the problems with using cable is that all the NAPA owners are required to contribute to the cost of advertising and "since we can't get 97% coverage with cable it would have to be supplemented. However, he notes, as cable coverage expands, it's becoming more attractive to us."

NAPA's print schedule includes service repair trade books such as *Motor* and *Motor Age*, *Road & Track*, *Motor Trend*, *Car and Driver* and other buff books are targeted to a younger blue collar audience while ads in outdoor books such as *Field and Stream* are designed for an older, more upscale audience.

Matthews comments that LNA's \$4.5 million expenditures for 1981 are "about right". The 1982 budget was increased by a small amount.

## Sears

While people continue to lose confidence in car dealerships, they're gaining confidence in Sears and the service it offers."

So says Paul Vernon, senior vice president, Foote, Cone & Belding/Chicago, Sears' agency for automotive parts and service.

Sears primary target audience is men, 18-54. "However," says Vernon, "We're also reaching women, a growing portion of our target audience, through primetime network tv."

Similar to other auto parts manufacturers, Sears places a heavy emphasis on network sports buys. This fall included World Series sponsorship as well as a variety of others sports programming.

Print advertising is used for image building and sales promotions. Ads themelined "We instill confidence" appear in newsweeklies as well as a host of other consumer magazines.

Newspaper ads, purchased on the local level, appear every Wednesday and Sunday.

According to Vernon, major advertising emphasis in all media will be placed on Sears introduction of all-season Road Handler radials later this year.

Leading National Advertisers reports that Sears' 8-media totals for 1981 were \$12.5 million.

## TIRES

### Bridgestone

Having garnered 28% of the Third World market, this Japanese-owned tire company has moved to the number four spot among world tiremakers and is rapidly setting its sights on the U.S. market.

Industry sources predict that the company's recent acquisition of Firestone's truck radial plants in Nashville will be the first of many plants in the U.S. and will help the company gain a greater share of the truck radial market.

To advertise its Super Filler tires, Bridgestone launched a network tv campaign for the first time this year. Spots with Lee Trevino were aired on early and late news including ABC's *Nightline*. The firm also sponsored the Glen Campbell Los Angeles



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Open Golf Tournament, the World Women's Tennis Doubles, and plans to sponsor the 1985 Olympics.

According to Pete Folger, management supervisor for Bridgestone at Dancer Fitzgerald Sample/LA, print is used to build Bridgestone's corporate image as well as convey technical information. Four-color ads are placed in newsweeklies, lifestyle and buff books including *Time*, *Newsweek*, *Sports Illustrated*, *Playboy*, *Road & Track*, *Car and Driver* and *Hot Rod*.

Radio spots targeted to long-haul truckers are aired on all-night channels.

Bridgestone also budgeted \$6 million coop advertising this year. The company pays 75% of the advertising costs and supplies independent dealers with tv spots, radio scripts, outdoor boards etc.

According to one company source, Bridgestone's 1982 advertising budget was increased by 60% over the previous year. LNA, RER and Media Records report Bridgestone's 8-media total for 1981 was \$5.2 million.

## Firestone

According to Gerald Kerr, director of advertising, Firestone has been placing a major portion of its ad dollars on the 721 Metrix, an all-season tire for downsized American and Import cars, as well as the Trax 12, also an all-season tire.

The fall campaign for the 721 Metrix included spots on all three tv networks. Firestone's print campaign consisted of three consecutive one-third pages in broadbased books such as *The New Yorker*, *Sunset*, *Cosmopolitan* as well as buff books like *Road & Track* and *Car and Driver*.

Cable buys include sports programming on ESPN and WTBS's *Motor Week Illustrated*. Spots on these stations advertise high performance tires such as the HPR, Radial ATX truck tires and the SS Radial.

According to Kerr, newspaper ads are in 300 plus SMSA's and usually appear 2-3 times weekly.

Unlike most other tire companies that distribute mainly to independent dealers, Firestone distributes to 1400 company-owned stores as well as 3500 independent dealers. Although the

company does not have a coop program per se, dealers contribute to the overall cost of advertising which is handled by the manufacturer.

Says Kerr, "We feel that controlling the advertising under one roof gives us

66  
**General Tire, says a company spokesperson, made the mistake of getting into the original equipment tire market several years ago.**

a better handle on how frequently to advertise, how large the ads should be, pricing etc."

Firestone spent \$10.8 million (LNA, Media Records, RER) in 1981, however this figure does not reflect newspaper coop expenditures, which are not listed in Media Records.

## General Tire

Although General Tire & Rubber Company spent \$6.5 million in 8-media totals, according to LNA, Media Records, RER in 1981, the company's ad budget was slashed earlier this year and commercials were pulled from network and spot tv.

According to a company spokesperson, General Tire's main problem is that it made the mistake of getting into the original equipment tire market several years ago, which is presently suffering from a decline in new car sales.

Looking ahead, one ad executive notes that plans are in the works for a spring flight on network tv and spot in 28 markets. The company is also formulating plans for print and radio buys.

## B.F. Goodrich

B.F. Goodrich is one of the few tire companies not using network tv for national advertising. According to Bob Kilpatrick, manager of Goodrich's tire group, "We've found that network tv is too broad in reach. We prefer to select media that is narrowly targeted to the seven marketing niches we've defined for our products."

One such niche is known as the "conservative quality buyer." This group is characterized as high income,

premium whitewall purchasers, the most likely candidates for Goodrich's Advantage TA tires. The conservative quality buyer is reached through magazines such as *Golf*, *Time* and *Business Week*.

Goodrich also targets its advertising to six other marketing niches. To reach these groups, the company uses a variety of magazines including in-flight books, business books such as *Fortune* and *Business Week*, vertical buff books such as *Car and Driver*, *Motor Trend*, *Hot Rod*, *Car Craft* as well as lifestyle and sports-oriented books such as *Field and Stream*, *Playboy*, *Skiing*, *Sports Illustrated*, *Tennis World* and *Tennis*. Goodrich also advertises in books such as *Cosmopolitan*, although copy is not specifically tailored to women.

"Positioning is also very important to us," adds Kilpatrick, "we prefer our ads to be near the front of the book."

Goodrich's retail budget, which accounts for roughly 5% of the company's ad budget, is comprised of 50% coop, the rest goes toward in-store promotions and point-of-purchase advertising, according to George Aufmuth, manager of sales and marketing.

Fifty five percent of Goodrich's retail budget goes into newspapers and 45% into broadcast (75% radio, 20% tv). A small percentage of ad dollars are also placed in outdoor.

Says Aufmuth, "Outdoor has grown, especially on the West Coast where boards are placed in high visibility locations and motorists are more sensitive to them than on the East Coast."

Similar to Firestone, B.F. Goodrich has company-owned stores, but also distributes through independent dealers.

To stand out from the other brands, Goodrich offers independent dealers incentive and motivational programs, retail sales force training, as well as point-of-purchase traffic building items such as quilted, lined B.F. Goodrich jackets.

LNA reports that Goodrich's 1981 eight-media expenditures totaled \$7.1 million. However this does not account for newspaper totals, which are unavailable.

## Goodyear

With the help of a revitalized product development effort, improved quality and an extensive advertising budget, Goodyear has managed to stave off competition from Michelin, Bridgestone and a handful of other companies all hungry for a larger piece of the tire market.

Despite a severely depressed world tire picture, Goodyear's sales increased 8% in 1981 to a total of \$9.2 billion.

Partially responsible for Goodyear's growth are the introduction of quality heavy-duty truck radials in a market where there was a great need for improvement.

The introduction of Goodyear's all-season radial tires, the Tiempo and Arriva, has also been an important feather in Goodyear's marketing cap. In the past five years, all season tires have grown to 15% of the US passenger tire market and are expected to comprise one third of the market by 1987.

By far the largest tire advertiser, Goodyear spent a major portion of its estimated \$25 million ad budget for 1982 in network tv.

"However," notes George Drop, manager, media services, "we're starting to re-evaluate the big numbers concept in advertising. As we attempt to reach more narrowly targeted groups, what we call attitudinal segments, we will probably be using more narrowly targeted media in the future."

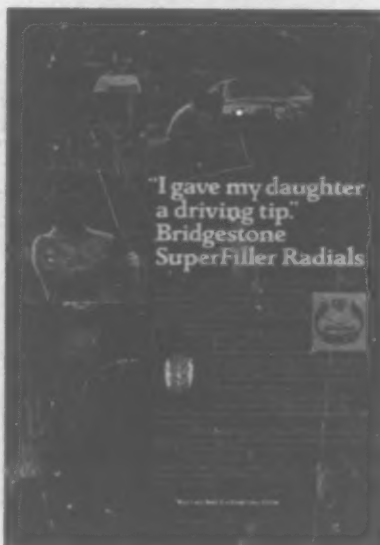
Goodyear is also doing some serious rethinking about its target audience. Notes Drop: "Historically Goodyear has targeted to men 18-54, but we're re-evaluating this strategy as a result of the marked increase in women responsible for maintaining their own cars."

At present Goodyear is hoping to reach women through its network tv buys that include sports, news and prime scatter. Cable includes buys on CNN, USA and ESPN on a network and spot basis.

Spot tv is also purchased in 80 markets (news, primetime, early fringe and late fringe) to support retail newspaper activity. Drop notes that Goodyear's extensive coop advertising

program includes ads in over 700 newspapers, usually in the daily sports sections.

Goodyear also uses all dayparts of network radio to support local retail advertising. Radio spots, advertising Goodyear's Wrangler tire, are directed to 18-35 van and light truck owners.



Print ads are used to build Bridgestone's corporate image and convey technical information.

Print ads in lifestyle books such as *Field and Stream*, *Outdoor Life* and *Popular Mechanics* are also targeted to this crowd.

## Michelin

The innovative French tire company known for its sophisticated technology and outstanding quality is not as bright a star as it used to be.

New competition in the quality department combined with a depressed U.S. auto tire market have created some serious problems for Michelin.

Goodyear's introduction of an all-season radial tire five years ago has probably been the biggest thorn in Michelin's side.

Although the French tire maker is expected to introduce an all-season radial this year, notes Saul H. Ludwig, analyst for Roulston & Company, "Not having an all-season radial tire has probably hurt Michelin."

And though the company was originally able to charge premium prices for its quality truck radials, to ward off competition and increase sales, Michelin had to join the ranks of price slashers in the U.S. auto market.

The main problem for Michelin, industry sources claim, is that it hasn't been able to keep pace with changing times.

However, Saul H. Ludwig contends that Michelin is changing. He says, "They've brought in some new people, for example a new sales vp, and they're in the process of making more changes to enhance their image in tire dealer networks."

Leading National Advertisers reports that Michelin spent most of its advertising budget in network tv in 1981 (\$9.5 million) with the rest allocated to spot tv (\$1.7 million) and magazines (\$1.5 million). Eight media totals for 1981 were \$12.9 million.

## Uniroyal

To attempt to gain a competitive edge over Goodyear and Firestone, its major rivals in the U.S. replacement tire market, Uniroyal has recently launched a Tiger Paw Plus campaign for its new all-season radial tire.

To reach men 25-54, Uniroyal aired spots on network tv this past fall. Programming included spots on news and sports shows such as *NBC Nightly News*, Saturday evening newscasts, *NBC's Sportsworld*, NFL pre-season football, primetime baseball and the PGA Hartford Open golf tournament.

To describe the Tiger Paw product in greater detail, Uniroyal runs ads in sports related magazines, as well as newweeklies.

However, Uniroyal's biggest media expenditure is in newspapers. According to one company spokesperson, this past year Uniroyal spent more money in newspapers than spot and network tv combined.

LNA reports that 8-media totals in 1981 were \$4.8 million. The heaviest expenditures were in spot tv (\$2.8 million) and in magazines (\$1.4 million). Newspaper totals are not listed in Media Records. For more on Uniroyal, see story on new campaign in *Decisions* January, 1983 issue.

Madeleine Dreyfack

## News and Information

It should be obvious by now that the enormous audience potential of the news and or information format is not new anymore. Revenue potential, on the other hand, is not quite as obvious, due mainly to the high cost of producing news. Nevertheless, because of the enormous influence of technology on the production side of news, costs could conceivably be reduced to a point where higher cable subscriber penetration combined with price advantageous technology, should allow not only CNN I and II and SNC I and II, but also one or two more specialized news and information forms to survive.

## Sports

The area of sports programming is clearly the most competitive and explosive program form as it relates to the ultimate viewing spectrum of 1990. The dominant issue, certainly from the viewer's standpoint, is the question regarding the availability of "free" sports as we now know them. There is not a question, even with a 65% cable penetration and a DBS penetration possibly as high as a net 15-20%, that free sports will continue.

However, it is extremely doubtful that the major "front page" type sports and certainly the "blockbuster" events (World Series, e.g.) will be delivered via "free" television. The revenue potential of paid sports, nationally, regionally, locally, is too enticing not to materialize by 1990.

Initially, as soon as major metro areas, containing the overwhelming majority of major professional sports franchises, become available to cable subscription, cable systems will capitalize on the viewer's confirmed willingness to pay for major sports events — major league baseball, NFL football, NBA basketball, and even NHL hockey on a more restrictive, regionalized basis. The current standard for sports delivery is roughly 60-70% over-the-air, 30-40% cable-delivered.

Within the next two to three years, the dominant portion of both major league and even college sports

schedules' pendulum will swing to the reverse proportion in terms of number of events delivered free vs. those delivered via cable and pay cable services.

As illustrated in the recent success of monthly fee and pay-per-view experiments such as the Tigervision test in the New Orleans area, which delivers a specific number of LSU sporting events, the local cable operator and the University itself, can generate far greater revenue than could possibly be delivered via ad-supported.

It would be naive to assume that other sanctioning groups (NCAA, NFL, NBA, et al) have not begun to implement national, regional and local pay subscription plans. The most vivid evidence of their trend to pay sports is the recent NFL strike. Pay revenues and who-gets-what is the key issue in the dispute and as the enormity of potential revenues comes into stronger focus, the squabbling is only going to intensify.

By 1990, the broadcast networks plus probably not more than one (ESPN) ad-supported basic cable service will deliver an extremely limited schedule of major league sports and a broader selection of lower-visibility sports, while at least three or four national and many more regional pay networks, STV, pay-per-view, and DBS services will soak the cable subscriber to the hilt.

As a matter of act, DBS itself will debut as a regional service by mid-summer, 1983. USTV, a joint venture partially financed by General Instruments, using medium power (50 ERIP/DBW) Ku-band transmission (Anik C-2), will distribute theatrical first run films, sports, news, and original entertainment to subscriber homes in the Northeast as early as July, 1983. The catalyst for such an early full-scale DBS test is the application of one meter (3 to 4 feet) receive-dishes which should be adequate to effectively receive the Ku-band signal. Both Comstat and RCA are somewhat further back in the DBS pack, but should begin testing sometime in 1986.

Additional more selective programming, shopping, banking etc. (cable) services will be available on a basic cable/ad-supported basis in 1990. A

great deal of influence in the number and format of these services will be heavily dependent on both the cost of production, licensing fees for programming, vitality of ancillary distribution sources (VCR, disc, foreign broadcast, etc.), and possibly most important the participation of advertisers in developing and franchising program properties with these cable services.

The availability of advertiser-supplied software will have an enormous influence on the viability of both national and regional cable services. In effect, advertiser-supplied programming will determine the extent to which narrower, more selective, services will survive. In fact, with sufficient advertiser participation in the development of specialized programming, not only will a reasonable number of ad-supported narrower audience services survive and flourish, but advertiser-owned/franchised cable services may actually materialize by the end of the decade. After all, geographic (local) and demographic (narrowly selective), programming was the dominant premise of the cable business in the first place.

## TELEVISION by DAVID TRACY

vp-media director, Young & Rubicam,  
Chicago



## Don't overlook region I viewing

The decision to use spot tv is accompanied by the task of determining where to advertise. This naturally presents the opportunity to assign vary-

Continued on page 184



ing weight levels to markets based on analyses of category and brand sales, efficiencies and a host of additional factors. The ultimate objective is to provide the same level of reach and frequency to the markets in each segment.

Frequently overlooked is the variation in viewing preferences from one region to another. Consequently, priority markets may actually receive less weight than secondary or even tertiary markets. Another proof of the "a GRP isn't a GRP" theory.

An analysis of December Nielsen data reveals the following regional idiosyncrasies.

- Viewers in the East Central and Southern regions are at or above the national norm in all dayparts.

- West Central viewing skews late being above norm from prime through late fringe.

- Northeast viewing is at or above norm in early fringe, prime and late news.

Pacific viewing is above norm only in late fringe.

It's not suprising therefore to see significant imbalances in the delivery

of a plan where the same daypart mix is applied in all regions. For instance, a six daypart plan consisting of 430 household GRP's results in the following target audience reach and frequency:

|                  | Reach | Frequency | 5+ Reach |
|------------------|-------|-----------|----------|
| National Average | 91    | 5.9       | 43       |
| Northeast        | 90    | 5.7       | 42       |
| East Central     | 94    | 6.3       | 46       |
| West Central     | 94    | 7.9       | 59       |
| South            | 92    | 6.4       | 47       |
| Pacific          | 87    | 4.4       | 30       |

Note the significant overdelivery in the West Central region and the underdelivery in the Pacific region.

With dollars held constant these imbalances can be corrected by varying total weight and the daypart mix from one region to another. One solution is shown in the box below.

It is not difficult to recognize regional viewing preferences when developing a spot plan. The pay-off is that our clients' advertising dollars work harder and the sale of their products or services have a more solid growth opportunity. ■

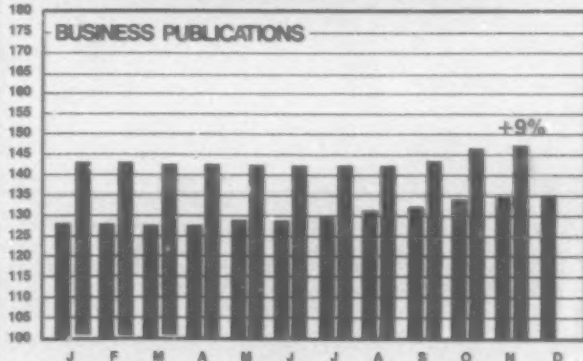
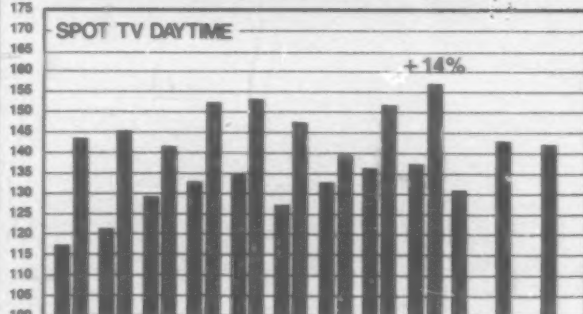
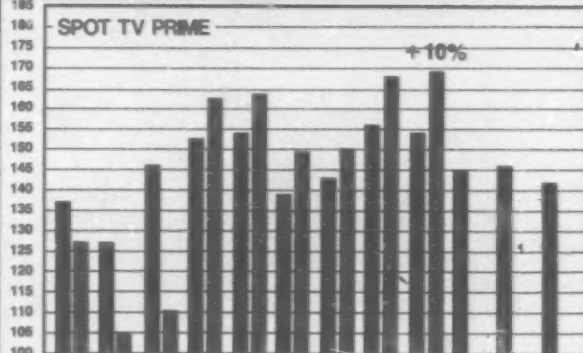
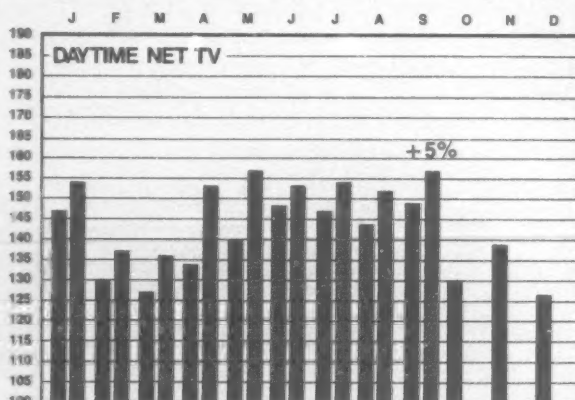
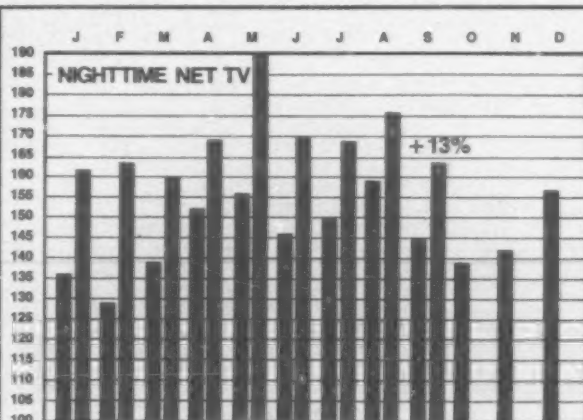
|              | Household GRP'S per daypart |            |            |            |            |
|--------------|-----------------------------|------------|------------|------------|------------|
|              | NE                          | EC         | WC         | South      | Pacific    |
| Day          | 65                          | 80         | 60         | 85         | 75         |
| Early Fringe | 85                          | 105        | —          | 60         | 155        |
| Early News   | —                           | 105        | 45         | 45         | 120        |
| Prime        | 65                          | 45         | 45         | 85         | 120        |
| Late Fringe  | 80                          | 55         | 115        | 95         | —          |
| Late News    | 80                          | 45         | 110        | 70         | 65         |
| <b>Total</b> | <b>375</b>                  | <b>435</b> | <b>375</b> | <b>420</b> | <b>505</b> |
| Reach        | 89                          | 91         | 90         | 91         | 88         |
| Frequency    | 5.2                         | 6.3        | 5.5        | 5.9        | 6.2        |
| 5+ Reach     | 40                          | 43         | 41         | 44         | 41         |

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# MEDIA COST INDEX

Black bars index for 1981; red bars 1982; base year 1977



Television continued strong through the third quarter of 1982 and was able to maintain its rate increases — except in daytime network tv. Nighttime net was up 13% in September compared to the same month in 1981. Spot tv primetime was up 10%. Spot daytime was up 14%. But daytime net tv was only up 5%.

**Business publications** maintained some advances in rates through November 1982, but the increases were nowhere near as severe as earlier in the year. In August, for example, business paper rates were up 14% over the same month in the year previous, whereas in November business publication rates were only 9% higher than in November 1981. The big increases will, of course, come at year-end as usual.

**Consumer magazine rates** were running 9% ahead of the year previous in September. They, too, are due for significant rate rises at year-end.

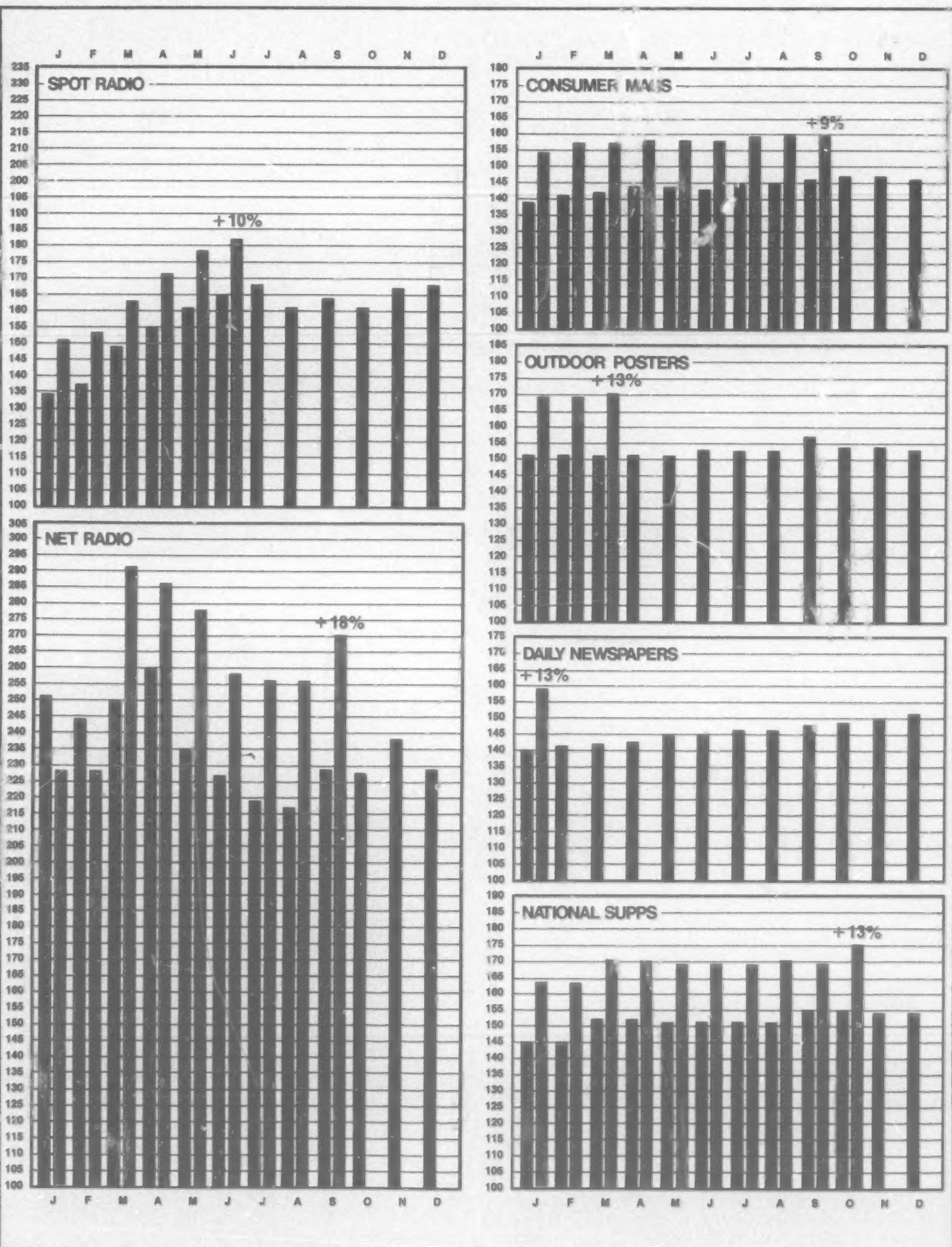
**National supps** showed more strength than other print media — up 13% in October compared to October 1981.

**Spot radio** continued to run considerably ahead of the year previous in rates. In July, net radio was up 17% over the same month in 1981; by September net radio was up 18% over September 1981.

**The Media Cost Index** reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Sources: **Nighttime Network TV** — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. **Daytime Network TV** — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. **Network Radio** — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. **Spot radio** estimates are based on SRDS cost of one minute on one station per market in the top 50 RADI markets. **Consumer magazine** estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue as reported by MPA. **National Supplements** estimates based on reported SRDS cost of page, 4-color for three national supps. **Daily Newspaper** estimates based on Newspaper Advertising Bureau report of SRDS costs per page line of a stratified sample of 155 newspapers. **Business Publication** estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. **Outdoor Posters** based on estimates prepared by F.R. Cowl & Assoc. **HOW TO READ:** Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1981; red bars 1982; base year 1977





C2950-3 1/17/83

JANUARY 1983 • \$3.00

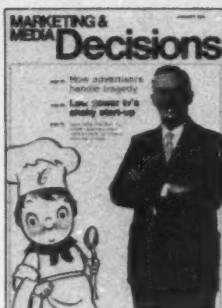
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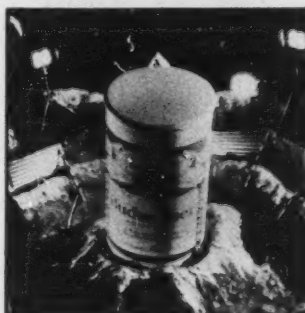
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## Marketing consultants get the good life

Marketing consultants apparently get the cream of the crop in remuneration, according to a survey conducted by the American Marketing Association. The survey shows that management consultants earn an annual median salary of \$46,111. (See: "Recessionary recruiting," October 1982, pg. 64).

The \$46,000 is \$9,000 higher than the next ranking group of marketers and nearly \$12,000 more than the profession as a whole.

Marketers in the printing and publishing fields, with a median salary of \$37,000 were the second highest paid group in the survey. Other highly paid groups were marketers working for manufacturers of industrial products (\$36,188), advertising agencies (\$35,938), and manufacturers of consumer products (\$35,735).

Advertising led the marketing field in terms of bonuses received as 60% of advertising agency respondents received an average bonus of \$8,137.

In the U.S., persons employed by their present employers less than one year had higher salaries than persons employed one to two years.

According to Dr. Gordon McAleer, and associate professor of marketing at the University of Central Florida, who authored the report for the AMA, this fact may particularly reflect the current job market, "which is presumed to be more generous than the rigid increase schedules of firms."

McAleer also points out another trend in the survey: The percentage of respondents receiving raises tended to increase as the number of years employed by the present employer increased — up to nine years employed. However, there was a drop in the percentage of people receiving raises after the nine year mark. "This raises the

question of how well loyal, long-time employees are compensated," McAleer commented.

## Radio Shack takes phone marketing seriously

One of the first retail chains to enter the home personal computer field, Radio Shack has announced an expansion of its telephone marketing capability, with the opening of five experimental telephone stores. (See: "Advantages of being self contained," Spring special issue, pg. 69).

The opening of the new stores is in conjunction with Tandy, the parent company's agreement to acquire the assets of Interconnect Telecommunications Systems, Inc., Lexington, Kentucky. The new experimental

stores will be opened in Lexington and Louisville, ITS's current primary markets, and Fort Worth/Dallas, Texas, Tandy's headquarters city.

John V. Roach, Tandy chairman said: "The name of this new chain will be Radio Shack Telephone Center. Our primary thrust in the phone business will continue to be through the regular Radio Shack stores. This new store concept is designed to support those customers and small businesses with special requirements. All of this is designed to help us make good on one of our new trademarks, 'Make Radio Shack Your Telephone Company.'"

The company also announced its intention to enter the pocket beeper pager market early this year. A lower base rate than average is projected, as Tandy signed contracts with radio

## AMERICAN MARKETING ASSOCIATION SURVEY OF MEDIAN SALARY (BUSINESS ORGANIZATIONS) BY PRIMARY ACTIVITY OF ORGANIZATION

### UNITED STATES

|                                     |          |
|-------------------------------------|----------|
| MANAGEMENT CONSULTING               | \$46,111 |
| PRINTING OR PUBLISHING              | 37,000   |
| MANUFACTURER OF INDUSTRIAL PRODUCTS | 36,188   |
| ADVERTISING AGENCY                  | 35,938   |
| MANUFACTURER OF CONSUMER PRODUCTS   | 35,735   |
| MARKET RESEARCH SERVICES            | 35,700   |
| COMMUNICATION SERVICES              | 34,750   |
| OTHER SERVICES                      | 32,800   |
| RETAIL TRADE (OTHER)                | 31,667   |
| NON-PROFIT ORGANIZATIONS            | 29,130   |
| FINANCE, INSURANCE OR REAL ESTATE   | 28,750   |
| RETAIL TRADE (GENERAL)              | 27,500   |

### CANADA

|                                   |          |
|-----------------------------------|----------|
| MANAGEMENT CONSULTING             | \$35,000 |
| MARKET RESEARCH SERVICES          | 32,500   |
| MANUFACTURER OF CONSUMER PRODUCTS | 31,250   |
| ALL OTHER ACTIVITIES              | 28,000   |

c. 1982 American Marketing Association





## SCHEDULING GUIDE TO 1983 READERSHIP STUDIES

# Ad reader studies down 19% this year

Bruce S. Childers, senior vp-marketing services, Meldrum & Fewsmith, Cleveland, reports on his survey of publications that will offer ad readership services in 1983, the issues that will be measured and the researchers who will do the field work. Childers' list includes 1,844 studies to be made by 463 publications.

The present economic climate will have an impact on advertising readership studies in 1983. While most of the leading publications have indicated that they will maintain their schedule of studies in 1983, a portion are either reducing the number of studies to be conducted or eliminating them for the year.

An additional indication of the uncertainties of the economic climate of 1983 is that more publications than usual have not been able to supply us with advance information on what reports will be budgeted for 1983.

Our purpose is to provide advertisers and agencies with as accurate as possible information on the ad

readership reports that will be available in 1983 in order to facilitate planning. Accordingly, we list only those publications and report dates which have been confirmed by both the publications and the readership services. By our November 15, 1982 cut-off date for this report, we have received con-

Continued on page 102

### Number of studies 1980-1983

| Publication class         | 1980         |                   | 1981         |                   | 1982         |                   | 1983         |                   |
|---------------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|
|                           | Publications | Number of studies | Publications | Number of studies | Publications | Number of studies | Publications | Number of studies |
| Consumer                  | 59           | 332               | 65           | 336               | 59           | 276               | 36           | 160               |
| General business and news | 23           | 311               | 26           | 324               | 23           | 279               | 21           | 186               |
| Specialized business      | 303          | 1,084             | 320          | 1,213             | 307          | 1,076             | 255          | 914               |
| Health care               | 44           | 155               | 56           | 165               | 61           | 181               | 53           | 160               |
| Farm                      | 26           | 31                | 30           | 38                | 33           | 46                | 33           | 46                |
| Canadian                  | 15           | 26                | 32           | 60                | 29           | 69                | 15           | 31                |
| <b>Totals:</b>            | <b>470</b>   | <b>1,939</b>      | <b>529</b>   | <b>2,136</b>      | <b>512</b>   | <b>1,927</b>      | <b>413</b>   | <b>1,497</b>      |

Source: Meldrum & Fewsmith, Nov. 15, 1982.

firmation of 413 publications offering a total of 1,497 individual reports.

Overall, our preliminary tabulation of planned studies shows that the number of publications planning to offer ad readership studies in 1983 is down 10% from the 1982 level measured at the same time last year.

More indicative of economic pressures, I believe, is that the total number of individual studies confirmed so far is down 19% from the same time period last year. If the trend of the preliminary count of studies holds, the average publication offering ad readership will have only 3.6 studies conducted during the year as compared with about 4 per publication in 1982.

Among the individual publications, only one-half of those listed to date plan to study three or more issues during the year. Of the remaining publications, one-quarter will study two issues and the other one-quarter plan to study only one issue.

For the serious user of ad readership studies, the studying of only one or two issues in a year causes great concern. It has been our contention for years that the readership scores for individual ads should not be used for sharp comparisons or a definitive measure of performance.

More appropriately, the findings of the studies should be considered as just one of many measurement tools to track performance and, individually, should be viewed as a broad indicator — subject to modification with the addition of more data.

The true value of ad readership studies only begins to become evident when the performance of several ads, and hopefully more, are tracked over time. Coupling this view with the belief that direct comparisons cannot be made between the scores of different ad readership services or even between the scores of the same service for ads in different publications, it becomes evident that when a publication offers only one or two studies in a year it is difficult, if not impossible, to build a sufficient track record to properly judge ad readership performance.

I consider myself a strong advocate

of ad readership studies. I believe that their proper use can provide valuable information. But I do not believe that studying one or two issues a year enables their proper use. Sometimes I wonder if it would be better for a publication to either offer enough studies to be meaningful (three or more) or none at all.

In the ad readership arena for this year, there are forty-six different ad readership services — including five new services not listed last year, but excluding nine services that dropped from the scene for 1983. As has always been the case, a small number of the ad readership services account for the majority of studies conducted. Our preliminary count shows that the top ten services will account for

three-quarters of the studies planned for 1983. These ten services will be conducting studies for 304 different publications. Of the remaining services, fourteen conduct studies on only one publication while an equal number conduct studies for two to four publications.

This report includes preliminary listings of the publications that plan to use ad readership studies for 1983; the services they will be using the issues they plan to have studied. The listing is broken down into six categories: Health Care Publications, Canadian Publications, Consumer Magazines, Farm Publications, General Business-Management and News Publications and Specialized Business Publications.

## 1983 READERSHIP STUDY DATES

### Health Care Publications (human and animal)

*AAR Times* — Advantage: September  
*American Druggist* — Harvey: February, April, August, October  
*American Journal of Ophthalmology* — Readex: January, April, August  
*AORN Journal* — Fosdick: January  
*The Apothecary* — Ad-Q: January/February  
*Cardiology Times* — Advantage: March, August, December  
*Consultant* — Space: January, April, July, October  
*Contact Lens Forum* — Ad Value: June, December  
*Contemporary OB/Gyn* — ReADsponse: March, April, June, September, December  
*Dental Economics* — Harvey: January, July, October  
*Dental Management* — Readex: February, June, October  
*Diagnosis* — Ad Impact: February, May, July, October  
*Diagnostic Medicine* — MI/Q: May/June, November/December  
*Drug Topics* — ReADsponse: March 21, June 20, September 19, November 21  
*DVM, The Newsmagazine of Veterinary Medicine* — Advertising Performance Study: March  
*Eye Talk* — Ad Value: April, October  
*General Dentistry* — Fosdick: January/February, July/August  
*Hearing Instruments* — Readex: July  
*Hospital Medicine* — PAR: February, May, July, October  
*Hospitals* — Hagen/AMS: March 1, August 16  
*International Contact Lens Clinic* — Readex: June/July  
*The Journal of the American Dental Association* — Advertising Performance Study: March, September  
*Journal of the American Medical Association* — Hagen/ARS: February 11, May 13, August 12, November 11

*Journal of the American Veterinary Medical Association* — Fosdick: June 1  
*The Journal of Respiratory Diseases* — SPACE: January, April, July, October  
*MD Medical Newsmagazine* — Starch: January-December  
*Medical Aspects of Human Sexuality* — PAR: March, June, August, November  
*Medical Economics* — ACT: January/February, March-May, June-August  
*Medical World News* — Ad/Visé: March 14, June 13, September 12, December 12  
*MLO/Medical Laboratory Observer* — ReADsponse: January, April, August, November  
*Modern Healthcare* — Fosdick: January, March, April, June, September, November  
*Modern Medicine* — Readex: January, February, March, May, June, July, September, October, November, December  
*Ocular News Surgery* — Ballot: March 15  
*Ophthalmology Management* — Ad Value: July, November  
*Optical Index* — Readex: March, September  
*Optical Management* — Ad Value: March, September  
*Optometric Management* — Ad Value: January, August  
*Orthopedics* — Advantage: March, July, September, November  
*Orthopedics Today* — Advantage: March, July, September, November  
*Pharmaceutical Executive* — Advertising Performance Study: August  
*Pharmaceutical Technology* — Advertising Performance Study: June  
*Pharmacy Times* — PIP: March, September  
*Physician and Sportsmedicine Reader* — Re-Play: March, June, September, December  
*Physician's Management* — Ad/Spectrum: February, May, August, November  
*Postgraduate Medicine* — Ad-Q: January, April, July, October  
*Psychiatric Annals* — Advantage: March, July

*Psychosomatics* — SPACE: January, April, July, October  
*Respiratory Care* — Advantage: March  
*RN Magazine* — RN Ad Evaluation: January, April, August, October  
*Today's O. R. Nurse* — Readex: March, September  
*U.S. Pharmacist* — Advantage: February, May, August, December  
*Veterinary Economics* — Readex: June  
*Veterinary Medicine/Small Animal Clinician* — Readex: March, October

### Canadian Publications

*Canadian Chemical Processing* — Starch: May  
*Canadian Datasystems* — Starch: June  
*Canadian Doctor* — Starch: February, June, October  
*Canadian Living* — Starch: November  
*Electrical Business* — Ad-Q: January, April, July  
*Electronic Products & Technology* — Ad-Q: January/February  
*Engineering Digest* — Starch: February, May  
*Engineering Times* — Ad-Q: January, April, July, December  
*Foodservice & Hospitality* — Starch: March  
*Heavy Construction News* — Starch: February 21  
*Homemaker's Magazine/Madame Au Foyer* — Starch: April, September, November  
*Physicians Management Manuals* — Advantage: March, July, December  
*Plastics Business* — Ad-Q: May  
*Reader's Digest/Selection* — Starch: February, April, September, November  
*TV HEBDO* — Starch: April 16, November 26

### Consumer Magazines

*American Artist* — Harvey: June, July, August  
*Better Homes and Gardens* — MIRS: February, April, July, October, December  
*Better Homes and Gardens Kitchen & Bath Ideas* — Starch: Winter  
*Better Homes and Gardens Remodeling Ideas* — Starch: Spring, Fall  
*Charisma* — Ballot: January  
*Co-Ed* — Starch: April  
*Cosmopolitan* — MIRS: March, June, August, October, December; Starch: March, April, May, June, September, October, November, December  
*Ebony* — Starch: February, March, April, May, June, August, September, October, November, December  
*Field & Stream* — Starch: March, October  
*Glamour* — MIRS: February, April, May, September, November; Starch: March, April, May, August, September, October, November  
*Golf Digest* — Starch: February, May  
*Good Housekeeping* — Starch: February, March, April, May, June, July, September, October, November, December  
*High Fidelity* — Starch: April/May, October/November

*Hot Rod Magazine* — Starch: April, May  
*House & Garden* — Starch: April, May, October, November  
*House Beautiful* — Starch: March, April, May, September, October, November  
*House Beautiful Home Remodeling* — Starch: Spring/Summer, Fall/Winter  
*Mademoiselle* — Starch: April, May, August, October  
*McCall's Magazine* — Starch: March, April, May, October, November, December  
*Modern Bride* — Starch: April/May, October/November  
*New York Times Magazine — Home Design Section* — Starch: April 17, September 25  
*New York Times Magazine — Home Entertaining Section* — Starch: May 1, October 23  
*New York Times Magazine — Men's Style Section* — Starch: March 27, September 11  
*New York Times Sunday Travel Section* — Starch: March 13  
*New York Times Sunday Travel Section* — Starch: March 13  
*New York Times Women's Fashions of the Times* — Starch: February 27, August 28  
*Penthouse* — Starch: February, March, April, June, October, November, December  
*People Weekly* — MIRS: March 28, April 25, June 13, September 26, November 7  
*Plate World* — Readex: September/October  
*Playboy* — MIRS: January, March, June, October, December; Starch: March, April, May, June, September, October, November, December  
*Popular Mechanics* — Starch: April, May, September  
*Reader's Digest* — Starch: January-December  
*Redbook Magazine* — Starch: April, October  
*Southern Living* — Starch: March, April, May, October, November, December  
*Sunset* — Starch: February, March, April, May, June, September, October, November, December  
*Tennis* — Starch: June  
*Vogue* — Starch: April, November

### Farm Publications

*Beef* — Readex Red Sticker: September  
*Dairy* — Readex Red Sticker: March, October  
*Dairy Herd Management* — Fosdick: February  
*Dairy Record* — Ad/Call: February  
*Drovers Journal-NFF* — Readex Red Sticker: January 20  
*The Farmer/The Dakota Farmer* — Ballot: February 5  
*Farm Industry News* — Ballot: January (Sunbelt), February (Midwest)  
*Farm Journal* — In-House: Mid-January, March, June/July, August, October, December  
*Farm Money Management* — Fosdick: May/June  
*Farm Store Merchandising* — Fosdick: February  
*Farm Supplier* — Advertising Performance Study: January  
*Feedlot Management* — Fosdick: February

*Feedstuffs-Equipment World Section* — Fosdick: March 28  
*Florida Grower & Rancher* — University Research: September  
*Hog Farm Management* — Fosdick: February  
*Irrigation Age* — Readex Red Sticker: March  
*Kansas Farmer* — University Research: February 5  
*Kentucky Farmer* — Readex Red Sticker: January  
*Michigan Farmer* — University Research: July  
*Missouri Ruralist* — University Research: February 12  
*National Hog Farmer* — Readex Red Sticker: March 15  
*Nebraska Farmer* — Ballot: August 20  
*The Ohio Farmer* — University Research: September 3  
*The Oklahoma Farmer Stockman* — University Research: April  
*Pennsylvania Farmer* — University Research: January 1, August 13  
*Pig American* — Readex Red Sticker: April; Ad-Q: September  
*Pork Producers Reference* — Readex Red Sticker: November/December  
*Prairie Farmer* — Farm Progress Publications Research: March 19, August 6  
*Progressive Farmer* — Readex Red Sticker: January  
*Successful Farming* — Ad Chart: January, May  
*The Texas Farmer Stockman* — University Research: March  
*Wallaces Farmer* — Farm Progress Publications Research: January 22, November 12  
*Wisconsin Agriculturist* — Farm Progress Publications Research: February 26, September 10

### General Business Management and News Publications

*Barron's-National Business and Financial Weekly* — Ballot: January 17, February 21, March 28, April 18, May 16, June 13, September 12, October 17, November 21, December 5  
*Business Week (National)* — MIRS: May 9, October 17  
*Dun's Business Month* — Starch: January, February, March, April, May, June, July, August, September  
*Forbes* — Starch: January 3, February 14, March 14, April 11, April 25, May 9, September 12, September 26, October 10, October 24, November 7, November 21  
*Fortune* — Starch: January 10, February 21, March 21, April 4, April 18, May 2, June 13, July 11, August 22, September 19, October 3, October 31, November 28; Harvey: February 21, March 21, April 18, May 2, June 13, September 19, October 17, November 14  
*Industry Week* — Starch: January 10, February 21, March 7, April 18, May 30, June 13, July 25, August 8, September 19, October 3, November 14, December 12  
*International Management (Africa)* — Ad Evaluator: April, August, December  
*International Management (Asia/Pacific)* — Ad Evaluator: April, August, December



*International Management (Europe)* — Ad Evaluator: March, June, September  
*International Management (Latin-America Spanish)* — Ad Evaluator: February, July, November  
*International Management (Middle East-Arabic)* — Ad Evaluator: January, May, October  
*Money* — Subscriber Advertising Measurement: January-December  
*Nation's Business* — Harvey: February, May, September, November  
*Newsweek (National)* — MIRS: January 24, February 7, April 18, May 16, June 27, August 22, September 19, November 14, December 12; Starch: February 14, March 14, April 11, April 18, May 9, May 16, June 13, September 12, September 19, October 17, October 24, November 7, November 14, November 21, December 5  
*Sports Illustrated (National)* — MIRS: February 21, March 21, May 23, June 20, September 12, November 21  
*Scientific American* — Starch: April, September  
*Time (National)* — MIRS: February 14, March 14, July 18, October 24, December 5; Starch: April 25, May 23, November 7, December 5  
*Wall Street Journal (Eastern Edition)* —Subscriber Advertising Measurement: January 17, March 10, May 4; Starch: January 12, January 20, January 25, February 8, February 17, February 22, March 2, March 10, March 16, March 22, April 5, April 12, April 20, April 28, May 3, May 12, May 18, May 24, May 31, June 9, June 15, June 21, July 12, August 9, September 13, September 15, September 21, September 29, October 4, October 13, October 19, October 27, November 2, November 8, November 17, November 30, December 6  
*Wall Street Journal (Midwest Edition)* —Subscriber Advertising Measurement: February 9, April 8, May 9  
*Wall Street Journal (Southwest Edition)* —Subscriber Advertising Measurement: February 24, April 15  
*Wall Street Journal (Western Edition)* —Subscriber Advertising Measurement: January 28, March 14

### Specialized Business Publications

*ABA Banking Journal* — Advertising Performance Study: April, September; Ad Feedback: May; Harvey: November  
*Adhesives Age* — Fosdick: September  
*Administrative Management* — Fosdick: February, June  
*Advertising Age* — Fosdick: January 24, March 14, May 23, July 25, September 26, November 28  
*Adweek* — Ad Chart: March 28, June 27, September 26  
*Agrichemical Age* — Readex Red Sticker: January 1  
*Agri Marketing* — Readex: January  
*AIA Journal* — Ad Effect: January, March, April, May, August, October  
*Air Conditioning, Heating & Refrigeration News* — Readex Red Sticker: February 28, March 21, May 23, July 4, August 8

*Air Force Magazine* — Readex: June, October  
*Air Transport World* — Starch: January, May, July, October  
*American Automatic Merchandiser* —Readex Red Sticker: May  
*American Hairdresser/Salon Owner* —Starch: April, November  
*American Printer* — Advertising Performance Study: February, July, November  
*American Shipper* — Ballot: April  
*Analytical Chemistry* — Ad/Lab: March, May, August, November  
*Appliance* — Fosdick: June, September  
*Architectural Record* — Starch: January, February, Mid-February, March, April, May, Mid-May, June, July, August, Mid-August, September, October, Mid-October, November, December  
*Assembly Engineering* — Ballot: January, June  
*Audio Visual Directions* — Ad-Q: March, November  
*Automotive Age* — Ad-Chart: July  
*Automotive Chain Store* — Ad-Q: April  
*Automotive Engineering* — Ad-Q: March, October  
*Automotive Rebuilder* — Ad-Q: February  
*Automotive Volume Distribution* — Readex: January, April, June/July, September, November/December  
*Aviation Equipment Maintenance* — Ad-Q: January/February, May/June, September/October  
*Bakery Production and Marketing* —Ad/Call: January 24, April 24  
*Baking Equipment* — Ballot: October 4  
*Baking Industry* — Fosdick: January  
*Beverage World* — Ad-Q: January, April, July, October  
*Bodyshop Business* — Ad-Q: July  
*Brake & Front End* — Ad-Q: May  
*Broadcast Communications* — Ad-Sell: February  
*Broadcast Engineering* — Ad-Q: May, October  
*Buildings* — Fosdick: February, May, July, October  
*Case & Comment* — Readex: March/April; Harvey: November/December  
*Cee* — Sara: March, November  
*Chainstore Age Supermarkets* — Ad Call: January, May, October  
*Chemical & Engineering News* — Ad/Lab: January 24, March 28, May 30, July 18, September 12, November 7  
*Chemical Engineering* — Harvey: January 10, January 24, February 21, April 4, May 16, May 30, July 11, August 22, November 28  
*Chemical Processing* — Fosdick: January, February, April, May, July, August  
*Chemical Purchasing* — Fosdick: April, September  
*Chemical Week* — Ad-Q: January 5, February 9, March 23, May 25, July 13, August 31, September 21, December 21  
*Christianity Today* — Ad-Q: March 4  
*Circuits Manufacturing* — Ballot: February, June, August, December  
*Civil Engineering* — Ad-Q: January, April, July, October  
*Coal Age* — Ad-Q: January, March  
*Coal Mining & Processing* — Fosdick: January, June  
*Commercial Car Journal* — Ad Chart: February, June, November  
*Computer Aided Engineering* — Ad-Gage: March 10, July 8

*Computer Decisions* — Reader Recall: February, April, June, August, September, October, December  
*Computer Design* — Readex: February, July, October  
*Computenworld* — Starch: February 14, June 13, September 12, November 14  
*Consulting Engineer* — RAA: January, March, May, July, October, December  
*Contracting Business* — Starch: January, April, September  
*Contractor* — Ad-Q: January 1, March 1, June 1  
*Control Engineering* — RAA: January-December  
*Corporate Design* — Readex: March/April, September/October  
*Data Communications* — Advertising Performance Studies: April, September  
*Datamation* — Ad-Q: April, August, December; Harvey: February, March, August, November  
*Decorating Retailer* — Readex: April, August, November  
*Defense Electronics* — Ad-Q: January, April, July, September  
*Design News* — Cahners: January 10, January 24, February 7, February 21, March 14, March 28, April 11, April 25, May 9, May 23, June 6, June 20, July 4, July 18, August 8, August 22, September 5, September 19, October 10, October 24, November 7, November 21, December 5, December 19  
*Digital Design* — Ballot: February, April, June, August, October, December  
*Discount Store News* — Ad Feedback: July  
*Distribution* — Ad Chart: February, June, October  
*Domestic Engineering* — Reader Pulse: February, April, July, December  
*Drilling Contractor* — Advertising Performance Study: April, December  
*Drilling, The Wellsite Publication* — Ad-Q: April 1, August  
*Drug & Cosmetic Industry* — Ballot: January, August  
*EE-Electrical/Electronic Product News* —SARA: January, July  
*Elastomerics* — Fosdick: April  
*Electric Light & Power* — RAA: April, June, September  
*Electrical Construction & Maintenance* —Ad Sell: January, June, November  
*Electrical Consultant* — Ballot: January/February, May/June  
*Electrical Wholesaling* — Readex: April  
*Electrical World* — Ad Value: February, May, October  
*Electronic Component News* — Ad Chart Ad Action: March, June, September, December  
*Electronic Design* — Reader Recall: January 6, March 3, May 12, June 23, July 21, August 18, September 29, December 22  
*Electronic Design (International Edition)* —Reader Recall: February 3, November 24  
*Electronic Packaging and Production* —Cahners: January, May, August, December  
*Electronics* — Ad Sell: February 24, June 30, September 22; Postcom: February 10, April 21, July 28, November 30  
*Electronics Test* — Ballot: March, July, November  
*Electro-Optical Systems Design* —Cahners: February, April, June, August, December

**Energy Management** — Ad-Gage: January/February, May/June, August/September  
**Energy Management Report** — Reader Interest Study: January, May, July, October, November  
**Energy Systems Product News** — Harvey: August  
**Engineering & Mining Journal** — Ad-Q: February, May  
**Engineering News-Record** — Ad Value: February 10, April 21, June 30, August 25, October 20, December 1  
**Engineer's Digest** — Readex Red Sticker: February, September  
**Environmental Science & Technology** — Ad/Lab: March, July, December  
**Equipment Management** — Ad-Q: January, June, September  
**Feed Management** — Readex Red Sticker: March  
**Fire Chief** — Readex: August  
**Fire Engineering** — RAA: April  
**Fire Journal** — Ad-Q: March  
**Fleet Maintenance & Specifying** — Ad-Q: February, May, October  
**Fleet Owner/Big Fleet Edition** — Readex: January, April, June, July, September, November  
**Fleet Owner/Small Fleet Edition** — Readex: February, April, September  
**Food and Drug Packaging** — Readex: February, October  
**Food Engineering** — Ad Chart: January, February, May, August, November, December  
**Food Management** — Readex: January, April, July, October  
**Food Processing** — Fosdick: January, March, May, September, November  
**Food Service Marketing** — Fosdick: January, April, September  
**Food Technology** — Harvey: April, October  
**Forecast for Home Economics** — Ad Value: February, October  
**Foundry Management & Technology** — Ad/Fax: January 1, February 1, June 1, September 1  
**Garden Supply Retailer** — Fosdick: August  
**Government Product News** — Ad Component Rating: January, June, September  
**Graphic Arts Monthly** — RAA: February, May, August, November  
**Handling & Shipping Management** — Starch: March, April, May, September  
**Hardware Age** — Ad Chart: February, April, July, October  
**Heating/Piping/Air Conditioning** — Ad-Gage: January, February, March, April, May, July, August, September, October, November, December  
**Heavy Duty Marketing** — Ad-Q: June  
**Highway & Heavy Construction** — RAA: February, March, May, August, October, November  
**Home & Auto** — Readex Red Sticker: May 1  
**Home Center Magazine** — Ad Sell: May; Ad/Call: October  
**Hydraulics & Pneumatics** — Readex: March, May, July, September  
**Importcar** — Ad-Q: September  
**Independent Auto** — Harvey: January, July  
**Industrial Distribution** — Ballot: March, April, July, September, December  
**Industrial Distributor News** — Ad-Q: January, May, September  
**Industrial Engineering** — Ad-Q: March, October

**Industrial Equipment News** — Harvey: March, April, June, September, October, November  
**Industrial Finishing** — Ballot: May, November  
**Industrial Maintenance & Plant Operation** — Ad-Chart Ad-Action: January, February, May, September, November, December  
**Industrial Research & Development** — RAA: January-December  
**Industrial Safety and Hygiene News** — Ad-Chart Ad-Action: January, September  
**Infosystems** — Ballot: March, October  
**In-Plant Reproductions** — Ad-Q: February  
**Instrument & Apparatus News** — Ad-Chart Ad-Action: January, March, June, August, November  
**Instruments and Control Systems** — Ad-Chart: April, June, September  
**Insulation/Circuits** — Fosdick: March  
**In-Tech** — Ad-Q: March, October  
**Interiors** — Ad Sell: March  
**Iron Age** — Ad Chart: January 3, January 21, February 16, March 16, March 25, April 4, May 2, June 15, July 4, August 19, September 5, September 23, October 12, November 16, November 25  
**Iron Age-Metal Producing Edition** — Ad-Chart: January 3, May 2, September 5  
**Jobber & Warehouse Executive** — Ad-Gage: May  
**Jobber Topics** — Readex: January, March, May, August, October, November  
**Journal of the American Dietetic Association** — Readex: April, September  
**Journal of Petroleum Technology** — Fosdick: January, May 15, August, November  
**Laser Focus** — In-House: February, September  
**Lawn & Garden Marketing** — Ad-Q: October  
**Machine and Tool Blue Book** — Ballot: January, June  
**Machine Design** — Ad-Gage: January 6, January 20, February 10, February 24, March 10, March 24, April 7, April 14, April 21, May 12, May 19, May 26, June 9, June 23, June 30, July 7, July 21, August 11, August 25, September 8, September 22, September 29, October 6, October 20, November 10, November 17, November 24, December 8  
**Madison Avenue** — Ad Sell: February  
**Magazine Age** — Ad-Chart: July  
**Manufacturing Engineering** — Readex: March, April, September, October  
**Marine Engineering/Log** — Ad-Q: January, April, July, October  
**Marketing & Media Decisions** — Starch: April, October  
**Mart Magazine** — Ballot: April, August, September  
**Materials Engineering** — Starch: January, March, May, July, September, November  
**Mechanical Engineering** — Fosdick: February, March, August, October  
**Meetings & Conventions** — Harvey: January  
**Microelectronic Manufacturing & Testing** — Ad-Q: June  
**Microwaves** — Reader Recall: January, April, June, October, December  
**Microwave Systems News** — Ad-Q: January, April, July, September, November  
**Mini-Micro Systems** — Cahners: February, March, April, June, July, October  
**Modern Machine Shop** — Ad-Q: January, July  
**Modern Office Procedures** — Starch: March, May, June, October

**Modern Paint & Coatings** — Fosdick: June, November  
**Modern Plastics** — Harvey: February, May, August, November  
**Modern Railroads/Rail Transit** — Cahners: January, February, April, June, August, November, December  
**Mortgage Banking Magazine** — Ad-Q: February  
**Motor** — Ballot: January, May, September  
**Motor Service** — Ad-Gage: July  
**National Home Center News** — Ad-Q: January 31, May 9, June 18, October 10  
**NC Shopowner** — Harvey: January, May  
**New Equipment Digest** — Hagen/MMI: January, February, March, April, June, September, October, November  
**Occupational Hazards** — Readex: April, August, October  
**The Office** — Readex: February, May, August, November  
**Office Products Dealer** — Ballot: April, October  
**Oil & Gas Digest** — Ad-Chart: March  
**Oil & Gas Journal** — Harvey: January 3, February 14, May 9, June 20, August 1, September 19, November 7, December 19  
**Oil Patch** — Ad-Q: January, August  
**Package Engineering** — Cahners: January, February, March, May, August, September, December  
**Package Printing** — Ad-Q: April  
**Packaging Digest** — Harvey: January, June, September  
**Paper Trade Journal** — Ballot: April 30, September 30  
**Personal Computing** — Reader Recall: January, April, July, October  
**Personnel Journal** — Ad-Q: January  
**Pest Control** — Readex: February, September  
**Petroleum Engineer International** — Reader Interest Study: January, July, November  
**Photonics Spectra** — Ad-Q: February, July, December  
**Pipeline & Gas Journal** — Reader Interest Study: January, May, October  
**Pipe Line Industry** — Reader Rating: March, July  
**Pipe Line Industry (Europe)** — Reader Rating: November  
**Pit & Quarry** — Ad-Gage: March, June, August  
**Plant Energy Management** — Readex: April, October  
**Plant Engineering** — RAA: January 6, January 20, February 3, February 17, March 3, March 17, March 31, April 14, April 28, May 12, May 26, June 9, June 23, July 7, July 21, August 4, August 18, September 1, September 15, September 29, October 13, October 27, November 10, November 23, December 8, December 22  
**Plant Services** — Fosdick: January, April, June, September  
**Plastics Technology** — Ad Value: January, March, August, December  
**Plastics World** — Cahners: January, March, May, September, October, November  
**Pollution Engineering** — Fosdick: February, April, July, November  
**Power** — Harvey: March, June, October  
**Power Engineering** — RAA: April, August, November  
**Printing Impressions** — Ad-Q: March  
**Processed Prepared Food** — AIS: March, November

*Product Design & Development* — Ad-Chart  
Ad-Action: January, March, May, July,  
September, November  
*Production* — Harvey: January, April, July,  
October  
*Production Engineering* — Ad-Gage:  
January-December  
*Products Finishing* — Ad-Q: January, June  
*Professional Builder & Apartment Business*  
— Cahners: April, September, October,  
December  
*Progressive Architecture* — Ad-Q:  
January-December  
*Progressive Railroad* — Fosdick:  
January, July  
*Pulp & Paper* — Harvey: February, July,  
November; Readex: April, September  
*Purchasing Magazine* — Cahners: January  
27, February 10, March 10, April 14, April  
28, May 26, June 9, July 28, August 11,  
September 29, October 27, November 24  
*Purchasing Magazine (Chemical Process  
Industries Edition)* — Cahners: January  
13, February 10, March 10, May 12,  
September 15, November 10  
*Purchasing World* — RAA: January-  
December  
*Quality* — Ad-Q: January, June, October  
*Restaurant and Hotel Design* — Ad Value:  
January, June  
*Restaurant Business* — Starch: March 1,  
May 15, September 1, November 1  
*R. F. Design* — Readex: May/June  
*Robotics Today* — Readex: February  
*Rock Products* — Fosdick: February, May

*School Food Service Journal* — Fosdick:  
March  
*School Product News* — Starch: February,  
September  
*Security Dealer* — Ad-Q: June  
*Security Industry & Product News* — Ad-Q:  
June  
*Security Management* — Marketmirror:  
February, May, October  
*Semiconductor International* — Cahners:  
January, May, July, November  
*Service Station Management* — Ad-Gage:  
June  
*Software News* — Harvey: February, August  
*Solar Heating & Cooling* — In-House:  
February, April, June, October, November  
*Solid State Technology* — RAA: May,  
October  
*Solid Waste Management* — Fosdick:  
January  
*Southern Pulp and Paper* — Ad-Q: May,  
August, December  
*Specialty & Custom Dealer* — Ad-Q: April  
*Specifying Engineer* — Cahners: February,  
April, May, June, August, September,  
November, December  
*Super Service Station* — Ad-Q: March,  
June, November  
*Tappi* — Fosdick: February, July,  
November, December  
*Telephone Engineering & Management*  
— Readex: March 1, July 15, October 15  
*Telephony* — Fosdick: February 14, May 9,  
July 4, November 21  
*Textile World* — Ad-Q: Jan., April, Aug.

*Tire Review* — Ad-Q: February  
*Today's Office* — Starch: January, June  
*Tooling & Production* — Hagen/AMS:  
January, April, June, August, November  
*Traffic Management* — Readex: January,  
February, May, September  
*Traffic World* — Readex: January 24; Starch:  
May 23; Harvey: December 5  
*Training* — Readex: Quarterly  
*Transmission & Distribution* — Starch:  
January, May, July  
*Transport Topics* — Ad-Q: March 21,  
October 17  
*United States Banker* — Ballot: June  
*Venture* — Ballot: January, May, August  
*Ward's Auto World* — Readex: March, July,  
September, December  
*Warehouse Distributor News* — Ad-Q:  
January  
*Water Engineering & Management*  
— Fosdick: January, April, July, October  
*Weeds, Trees & Turf* — Readex: January,  
May, October  
*Welding Design & Fabrication* — Starch:  
February, September  
*Western Foodservice* — Ad-Q: July  
*The Wholesaler* — Reader Pulse: April, July,  
October  
*Wire Business* — Ad Value: February  
*World Processing Systems* — Fosdick: June  
*World Oil* — Reader Rating: March, July,  
September  
*World Oil (Europe)* — Reader Rating: July

## A Southwest first. Over half a million in Sunday circulation.



For the first time in the Southwest, one newspaper has surpassed 500,000 in Sunday circulation. The all-day Houston Chronicle.

With a commanding lead on weekdays, Saturdays and Sundays, Chronicle circulation is growing even faster than Houston's population. And those trends are mirrored by our readership.

The Chronicle is the choice of 62% or more of the newspaper readers in each of these key groups: Adults 18-54. College graduates. \$35,000+ households. Professional, managerial and technical.

We're the preferred choice of advertisers as well. The Chronicle is second in the nation in total linage, fourth in retail linage and first in classified.

So while there are two newspapers in Houston, The Chronicle is a lot more than half the story.



## Women on wheels



**Eugene McCarthy, former senior vp-director media services, J. Walter Thompson, Detroit, (and now with BBDO-Detroit), looks at how auto advertisers' media plans are taking note of importance of women as car buyers. In photo (left to right): McCarthy and Nancy Kindl, assistant network negotiator; Cynthia Wrigley, executive secretary; and Linda Micheau, media relations coordinator, all JWT.**

The automotive industry's growing interest in the women's market is based on an awakening to the fact that it represents big business!!

The idea that men - while still very important - are the exclusive "heavies" in new car purchasing decisions and that women play a minor or superficial role has long been discarded. All automotive manufacturers, in setting their upscale "targets", statistically or judgmentally place a value on women's involvement in the new car purchasing decision vis-a-vis men.

Considering an estimated overall automotive "average" weighting of women at 60% the value of men in the decision process, women represent a \$30 plus billion market for the industry

in an 8 1/2 million car sales year. That's big business by any standard.

While somewhat surprising, the above figure need not be shocking. In good years and bad, sales in the automotive industry are in the multi-billions of dollars. The difference between the two is "how many billions." In addition, the dynamic growth of working women has impacted on this industry. Between 1970 and 1980, government statistics indicate that the number of women in the work force grew from 31 million, or 43% of all women, to 43 million, or 52%.

The implications are obvious in terms of disposable income for families as well as single working women. Last year, it is also reported that 47 million women received paychecks and that women now represent 43% of the nation's work force. Their significant financial contribution to the "family kitty" or their own pocketbooks has given women a much stronger voice in the purchase of high ticket

durables to a degree never before experienced.

There has been criticism aimed at the auto industry that the full value of the women's market has been unrecognized in advertising strategies. This is unfair since over the past 10 years most automotive advertisers have been trying to fix a value on this market for its individual carlines and trend it accordingly.

There were continuing reviews of Polk registrations, Industry Principal Driver Studies, "new car decision makers" as defined by syndicated research services and "self-serving" media studies. In addition, over the last 3-4 years, a number of automotive manufacturers individually have been collecting "decision data" on segments and carlines via interviews shortly after purchase. Interviews among the participant or participants, as well as "alleged" participants, are pursued and scored accordingly. Obviously, judgment and experience have also played a role in any analysis

### A: Female influence by type of car

| Segment size  | Male weighting | Female weighting | % Female importance of total adults |
|---------------|----------------|------------------|-------------------------------------|
| Small economy | 100            | 74               | 42%                                 |
| Small sporty  | 100            | 71               | 41                                  |
| Compact       | 100            | 52               | 34                                  |
| Middle        | 100            | 54               | 35                                  |
| Middle sporty | 100            | 68               | 40                                  |
| Large         | 100            | 41               | 29                                  |

of the combination of research on cars.

All research on the women's market to date has indicated a steady growth of influence but the importance of women may vary significantly by carline. Box A (page 85) has been developed from the results of the latest combinations of research. It is representative of the "typical car" in key segments and will demonstrate the overall variations that pertain.

You will note that smaller size and more sporty cars have a greater appeal to women. The exception to size is Middle Sporty: however, this classification includes cars like Cordoba, Cutlass Supreme, Monte Carlo and Thunderbird that have been downsized in recent years and maintain a "specialty" flair that appeals to upscale women. Additionally, station wagons in their appropriate segments also have significant women's influence.

However, the importance of women's weighting at this point may be purely academic in media application for individual carline plans. Media-mix schedules developed to reach precise upscale target audiences (with appropriate women weightings) usually cover the "target women" far in excess of their statistical value. This is more apparent when the industry's major media usage is broadly examined (Box B on this page).

In further analyzing major media that is scheduled by the industry and more specifically oriented toward upscale men, we find a relatively high degree of involvement among women (Box C this page).

Due to their dynamic growth in the work force, coupled with their growing paychecks, it is obviously necessary to consider how working women consume the principal media used by the industry. Using the best available information, following is an analysis of the subsets of the women's market that are generally considered key prospects for the purchase of a new car: Single working women, married working women *with no children* (2 plus incomes and plus cars), and married working women *with children* (2 plus incomes and 2 plus cars). See page 87, Box D.

Rather consistent with the previous analysis, the industry's combined

## B: Automotive major media usage

| Major Media:                         | % Adult male | % Adult female | Est. % Media expenditures automotive manufacturers '81 M.Y. |
|--------------------------------------|--------------|----------------|-------------------------------------------------------------|
| Prime time network/Spot viewers      | 45.3%        | 54.7%          | 45%                                                         |
| Newsweek* — readers                  | 59.2         | 40.8           | 11                                                          |
| Other major publications** — readers | 46.5         | 53.5           | 3                                                           |
|                                      |              |                | 59%                                                         |

\* Newsweek, Time, U.S. News

\*\* National Geographic, Readers' Digest, TV Guide

Sources: TV-NTI Television Audience '81; Magazines-SMRB '81; Expenditures-LNA/JWT Estimates

## C: Women's involvement in "male" media

| Male orientated media:            | % Adult male | % Adult female |
|-----------------------------------|--------------|----------------|
| CBS/NBC/ABC football — viewers    | 65.0%        | 35.0%          |
| ABC/NBC world series — viewers    | 55.8         | 44.2           |
| ABC NCAA football — viewers       | 64.6         | 35.6           |
| CBS/NBC NCAA basketball — viewers | 64.9         | 35.1           |
| Sports illustrated — readers      | 80.5         | 19.5           |
| Business week — readers           | 71.6         | 28.4           |
| Playboy — readers                 | 78.1         | 21.9           |

Sources: TV-NTI "Sports '81"; Magazines-SMRB '81

## E. Employed women — reach/frequency analysis

|                                            | Reach | Frequency |
|--------------------------------------------|-------|-----------|
| Total employed women                       | 75%   | 2.5x      |
| Single working women                       | 74    | 2.5       |
| Married no children (2+ income, 2+ cars)   | 81    | 2.5       |
| Married with children (2+ income, 2+ cars) | 78    | 2.6       |
| All others                                 | 74    | 2.5       |

Source: JWT Estimate

major media efforts cover working women quite well and the more "male oriented" efforts do surprisingly well. Furthermore, it is estimated that just one advertising exposure in each of the above media vehicles will develop the following net coverages (Box E).

Of course, there is the usual question of the intensity of interest of women in the more male-oriented media efforts. However, the numbers are there — and they have been for years and one may place whatever value he or she chooses on them. The point is the most automotive carlines statistically receive significantly more coverage of the women's market than required by their specific objectives without any special effort directed at this market.

Despite all the above media and marketing analyses and applications,

many automotive advertisers also schedule special efforts directed at women's markets - principally in magazines. Unquestionably, there is always the rare occasion where some carlines may require such a heavy weighting for women that the primary media-mix may underdeliver the required impressions. Secondly, on judgment, a specific carline's appeal and creative approach may seem to be enhanced by its appearance in specialized magazines targeted to women. In either case, there are two ways automotives communicate in specialized women's publications - one is the obvious and traditional route through advertising pages and the other via appropriate fashion tie-ins. Consistent with life-style changes and the importance of working women, a

cross section of magazines are typically used such as *Cosmopolitan*, *Glamour*, *Vogue*, *Mademoiselle*, *New Woman*, *Ms.*, etc.

These selective publications, while providing lower units of coverage, tend to concentrate in the "working women" subsets and indeed supplement strategies aimed at this market very well (Box F at right).

There is no question that automotive advertisers reach the women's market through a combination of broad and selective media vehicles. Perhaps the key issue is whether or not automotive advertising - as we know it generally - communicates optimally with this valuable market. Or is a shift required in advertising that speaks in some significant way differently to women?

The industry generally feels that, especially in a big ticket item like a car, the big concerns are equally shared by men and women. To say it another way, advertising is not created for men and women but for people, who are either in the market to buy a new car or who may potentially buy one in the near future.

What man or woman who is ready to buy a car is not interested in all or most of the following: costs, quality, inno-

vation, practicality, fuel efficiency, styling and overall appearance? Now this order may differ but not necessarily along purely sex lines. When it differs, it is more along segment lines - e.g., the concerns of a "small sporty" prospect versus a "large" prospect.

Furthermore, the industry is also very careful not to alienate anyone who may be a prospect.

However, there is a growing momentum to try to resolve this dilemma.

Women's needs are being examined more precisely to determine how and why they differ from men and how this may be translated into effectively targeted advertising. "You've come a long way, baby." may never be the clarion call of the automotive industry, but a move toward more frequent women-directed advertisements emphasizing safety features and certain aspects of quality may not be far away for automotive markets. ■

## F. Total employed women readers

|                      | Total  | Single working women | Married no children 2+ incomes 2+ cars | Married with children 2+ incomes 2+ cars | All others |
|----------------------|--------|----------------------|----------------------------------------|------------------------------------------|------------|
|                      | 41,299 | 16,546               | 4,899                                  | 7,308                                    | 12,546     |
| <i>Cosmopolitan</i>  | 5,372  | 3,172                | 593                                    | 680                                      | 927        |
| <i>Glamour</i>       | 4,039  | 2,225                | 373                                    | 663                                      | 778        |
| <i>Vogue</i>         | 3,150  | 1,773                | 234                                    | 424                                      | 719        |
| <i>Mademoiselle</i>  | 2,845  | 1,575                | 269                                    | 476                                      | 525        |
| <i>New Woman</i>     | 2,740  | 1,211                | 116                                    | 643                                      | 771        |
| <i>Working Woman</i> | 1,390  | 614                  | 59                                     | 326                                      | 391        |
| <i>Ms.</i>           | 1,076  | 703                  | 73                                     | 126                                      | 174        |
| Total (000)          | 20,612 | 11,273               | 1,717                                  | 3,338                                    | 4,285      |
| % Gross coverage     | 50%    | 68%                  | 35%                                    | 46%                                      | 34%        |

Source: '81 SMRB

## D: Total Employed Women

|                                            | Total  | Single working women | Married no children 2+ incomes 2+ cars | Married with children 2+ incomes 2+ cars | All others |
|--------------------------------------------|--------|----------------------|----------------------------------------|------------------------------------------|------------|
|                                            | 41,299 | 16,546               | 4,899                                  | 7,308                                    | 12,546     |
| <b>Major Media:</b>                        |        |                      |                                        |                                          |            |
| Prime Time Network/Spot — viewers (000)    | 13,938 | 5,484                | 1,717                                  | 2,210                                    | 4,528      |
| Newsweek* — readers (000)                  | 8,700  | 3,455                | 1,227                                  | 1,775                                    | 2,243      |
| Other Major Publications** — readers (000) | 21,285 | 8,471                | 2,564                                  | 3,988                                    | 6,262      |
| Total (000)                                | 43,923 | 17,410               | 5,508                                  | 7,973                                    | 13,033     |
| % Potential gross coverage                 | 106%   | 105%                 | 112%                                   | 109%                                     | 104%       |
| <b>Male oriented media:</b>                |        |                      |                                        |                                          |            |
| CBS/NBC/ABC Football — viewers (000)       | 5,614  | 1,759                | 962                                    | 1,163                                    | 1,730      |
| ABC/NBC World Series — viewers (000)       | 6,062  | 2,244                | 664                                    | 1,175                                    | 1,979      |
| ABC/NCAA Football — viewers (000)          | 4,638  | 1,677                | 679                                    | 891                                      | 1,390      |
| CBS/NBC NCAA Basketball — viewers (000)    | 3,629  | 1,134                | 440                                    | 836                                      | 1,219      |
| Sports Illustrated — readers (000)         | 1,554  | 773                  | 94                                     | 326                                      | 361        |
| Business Week — readers (000)              | 824    | 357                  | 101                                    | 180                                      | 186        |
| Playboy — readers (000)                    | 2,021  | 871                  | 233                                    | 428                                      | 484        |
| Total (000)                                | 24,342 | 8,815                | 3,178                                  | 4,999                                    | 7,349      |
| % Potential Gross Coverage                 | 59%    | 53%                  | 65%                                    | 68%                                      | 59%        |

\* Newsweek, Time, U.S. News

\*\* National Geographic, Reader's Digest, TV Guide

Source: '81 SMRB



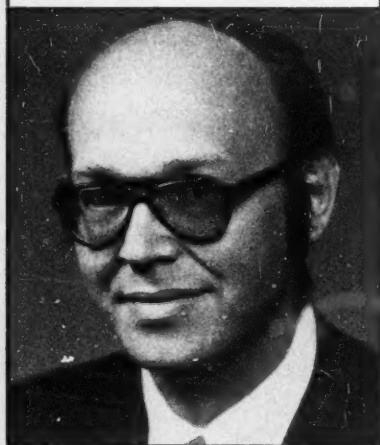
representing his interest during deliberations on advertising strategy.

But the publisher must understand the limits of the account executive's interest in his selling proposition.

I for one (and I believe most others of my kind will agree) am not interested in a publisher's admiration for his property, statistics intended to support claims of leadership (in some respect or another), descriptions of the purchasing process in his industry (which I would be expected, as an agent of my client, to be already familiar with), or in the publisher's interpretation of some reader research the validity of which I don't have the time to examine.

What will interest me is a publication's *dynamics* — the role it plays in the industry it serves as exemplified by its editorial material, by its editors and their contributions to that industry, by statements of its policies in response not only to what's happening within the industry but also to pressures from outside the industry (economic, political, etc.) And, of course, reports of advertiser's successes, including testimonials. ■

**MEDIA RESEARCH**  
by **BERNARD GUGGENHEIM**  
senior vp, dir. media info services  
Campbell-Ewald/Detroit



### **The football strike — what happened?**

Many people have habitual television viewing habits. They finish dinner; they turn on the tv set and select the program that they would like to watch. Television viewing is a part of the

lifestyle of many Americans. These habit patterns are so regular and so stable that you can look at the homes using television level for Monday night at 8 o'clock for the first Monday in January last year and be quite confident that this year's HUT level will be virtually identical.

This predictability is a fundamental part of the procedure used to estimate future programing performance. You start with the prior year's estimate of homes using television. We almost

always assume the HUT is stable from year to year. But there are exceptions.

There is the occasional "hit" program which succeeds in significantly raising the viewing levels relative to prior year levels. This happened when *All In The Family* first came on; when *Roots* was telecast; and more recently when we found out who shot J.R.

Do time period viewing levels ever drop significantly? Yes . . . What goes up also occasionally comes down! VIZ  
— THE STRIKE.

## **Genital herpes viruses may live on towels for 72 hours and on toilet seats for four hours. Choose your bathrooms carefully.**

The latest news about genital herpes isn't exactly encouraging. The January Reader's Digest reports that this incurable disease doesn't even depend on genital intercourse for transmission: Contact with an infected finger, mouth, towel or toilet seat may be sufficient.

And once someone gets genital herpes, a recurrence can be triggered simply by the stress of *worrying* about it.

This kind of news makes casual sex less attractive. But this kind of reporting helps The Digest\* attract 39 million readers.

**Reader's  
Digest®**

A favorite Sunday pastime has been watching live pro football. Unfortunately a players' strike resulted in a traumatic period for many of us — both professionally and personally.

From a professional point of view, football sponsors have the problem of "re-expressing" their advertising weight in different programs.

From a personal point of view, the football viewer had a choice: to watch the replacement programming that the networks put on, to watch independent station programming or, if they had cable service, to watch cable-originated programming. The other alternative was to not watch tv at all.

It may not be a surprise when I tell you that a substantial number of people — both men and women — elected to turn their sets off completely!!!

Table A details the persons using television levels for the first six weeks of the football strike period vs. the matching 1981 period. Male viewing audiences declined 33% and female audiences 21%. In my experience this represents the most substantial change

in viewing levels ever experienced as a result of a programming change.

You might jump to the conclusion that the more affluent males turned off their tv sets. If you did, you'd be wrong. Table B shows that affluence had nothing to do with it, let alone occupation or cable availability. Just

about every demographic cell examined fell off 30% vs. last year.

Television viewing levels occasionally deviate from the norm. Occasionally they go up and rarely do they go down. But in both instances, I believe we learn something.

As we have seen, overall viewing

### A: Football strike period — persons using television levels (Sunday 1-4 p.m.)

|       |                    | 1981 <sup>(1)</sup> | 1982 <sup>(2)</sup> | % Change<br>1982 ± 1981 |
|-------|--------------------|---------------------|---------------------|-------------------------|
| Men   |                    |                     |                     |                         |
|       | 18-34              | 36.7%               | 23.4%               | -36%                    |
|       | 35-54              | 35.1                | 25.2                | -28%                    |
|       | 55+                | 36.6                | 24.2                | -34%                    |
|       | <b>Total Men</b>   | <b>36.1</b>         | <b>24.2</b>         | <b>-33%</b>             |
| Women |                    |                     |                     |                         |
|       | 18-34              | 22.5%               | 15.8%               | -30%                    |
|       | 35-54              | 22.0                | 18.8                | -15%                    |
|       | 55+                | 22.4                | 19.2                | -14%                    |
|       | <b>Total women</b> | <b>22.3</b>         | <b>17.7</b>         | <b>-21%</b>             |

Source: A. C. Nielsen

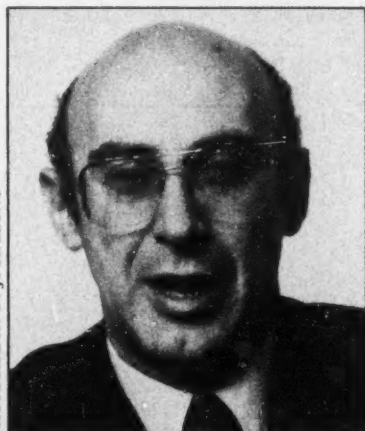
(1) 9/28-11/8 1981

(2) 9/27-11/7 1982

## PLAYBOY INDUSTRY VIEW: ART WILEN

comments on media strategies, from the executive v.p./media director, the marschalk company, inc.

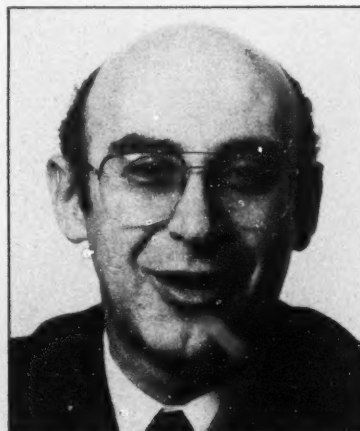
PHOTOGRAPH BY JOOK LEUNG



"When we recommend a media plan, we're actually acting as financial consultants. Once we understand a client's marketing objectives, we bring him investment opportunities through media."



"We have a creative philosophy called 'emotional hard-sell.' We try to extend our creative strategies into our media selection—to carefully match the message and the medium for the strongest sale."



"Print offers the advantage of reaching a specific target in a specific environment. It lets us take the message beyond a single thought and turn it into a complete information piece."

levels dropped significantly when football was off the air. This, too, is a clear-cut testimony to the appeal of this programing form.

In addition, the fact that so many people *declined* to watch any of the alternative programing available demonstrates their involvement with this

programing format. These people turned away from television! They painted their house; they went hunting; they read a magazine, or they spoke to their wives! But they *didn't* watch any other television. Maybe we'll even have a baby boom next summer! ■

the U.S.

During the past 25-30 years, opportunistic U.S. companies have looked overseas to expand their sales potential. This opportunity has even been more expanded in the past several years with the opening of Middle East markets, as well as the Soviet Bloc.

The primary point here is the way in which U.S. manufacturers can market abroad initially. An obvious approach is to use national trade publications that exist in overseas countries much in the same way our own publications are used here in the United States. In view of this, there is a heavy burden on U.S. media people to both analyze and recommend local national publications abroad for these purposes.

As has been found by those who have looked into international media, there are relatively few publications serving any given market and, furthermore, overseas industrial markets (as compared to the U.S.), are highly fragmented in terms of the various countries in which they exist.

Beyond this, overseas publications, as compared to those in the U.S., are not as strong either from a quantity (circulation) or quality (editorial) standpoint and, furthermore, lack the depth of publishing sophistication contained in U.S. books. This opinion is acquired from observations of overseas U.S. personnel who are involved with markets in question as well as our own observations in analyzing the publications directly. Furthermore, a significant amount of the editorial contained in the local/national publications abroad are pick-ups from editorial that appears in U.S. publications.

As a result of this, readers in overseas countries look to U.S. trade publications for technological editorial which is not readily available in their own magazines. One very apparent basis for this observation is that technical publications in this country that formally did not seek overseas circulation suddenly find that a relatively large percentage of their total circulation is going to other parts of the world. This is particularly true of in-depth technical books as opposed to those whose editorial deal primarily with news, management and merchandising subjects.

For example, in a fast emerging

## B: Sunday 1-4:30 p.m. — Men 18+, persons using television levels

|                                        | October |       |          |
|----------------------------------------|---------|-------|----------|
|                                        | 1981    | 1982  | % Change |
| Total                                  | 36.4%   | 25.5% | -29.9%   |
| < \$15,000                             | 39.3    | 26.4  | -32.8    |
| \$15,000+                              | 35.6    | 25.2  | -29.2    |
| \$20,000+                              | 35.4    | 24.8  | -29.9    |
| \$30,000+                              | 33.6    | 23.8  | -29.2    |
| \$20,000+ Professional, owner, manager | 36.2    | 25.1  | -30.7    |
| Any cable                              | 40.3%   | 28.2% | -30.0%   |
| No cable                               | 34.7    | 24.0  | -30.8    |

Source: A. C. Nielsen, N.A.D.

**BUSINESS PRESS**  
by **MICHAEL A. WALSH**  
senior vp  
Aitkin-Kynett, Phil.



### International effectiveness

Both because of the tightening economy as well as shrinking near-or-saturated traditional markets, most U.S. manufacturers are faced with a continuing search for new markets. While these markets can be vertical markets within the U.S., many times they unfold broader markets outside of

**PLAYBOY:** You want to make the most of your client's ad budget. So when the plan calls for effective—and efficient—reach to the male market, invest in a blue chip **PLAYBOY**.

**PLAYBOY** is the medium that works *with* the message to build interest in a wide range of products. From clothes to cars to spirits to recreational gear, if it's of interest to men, it's featured in **PLAYBOY**. As part of a total information and entertainment package that helps men get the most out of life. And puts them in the mood to buy.

Take your client's message beyond the page it's printed on—to nearly 13 million affluent, acquisition-oriented men whose interest in living well pays handsome dividends for you. Advertise in **PLAYBOY**.

**Playboy means business.**

Source: MRI, Fall 1982—adjusted.

© 1982 by Playboy.

**BEST AVAILABLE COPY**



field (data processing/etc.) this trend is highly evident. In looking at some 30 publications in this category, those with highly technical editorial have a significant part of their circulation going overseas. Conversely, those with less technical editorial find that there is little or no demand for their content abroad. It is also interesting to note that among those technical publications that employ controlled circulation in this country, their overseas circulation commands a relatively high paid subscription price. This a further indication of the demand which our more sophisticated editorial achieves.

In the broader electronics category, the amount of overseas circulation generated by our technical publications is even more apparent. For example, in the case of such publications as *EDN*, *Electronics*, *Electrical Design*, *Microwave Journal* and *Microwaves*, the percentage of overseas circulation (of the total) ranges from 15% to 28%.

The point of this is that for those manufacturers interested in expanding their markets overseas, possibly the most effective media vehicles for them exist here in our local business press. There is little question this competitive situation might help to upgrade the quality of national books abroad as

“

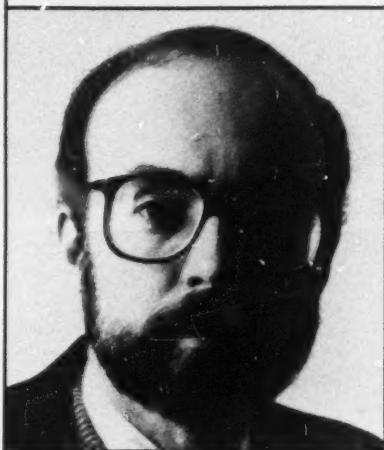
**For those manufacturers interested in expanding their markets overseas, possibly the most effective media vehicles for them exist here in our local business press.**

”

time goes on. However, the fact that our publications are so strong overseas points to a current substandard situation among local overseas trade media. This is as a result of their editorial content being inadequate for the needs of their marketplace.

Until the time that this situation changes and local overseas media develops beyond where it is today, U.S. manufacturers will do well to recognize the effectiveness of U.S.-based publications in other parts of the world. ■

#### OUTDOOR by JOHN MILLER group spvr, media Y&R/New York



### Outdoor goes to college

Actually, outdoor has always been in college but hardly anyone ever noticed.

Do you remember your freshman marketing course when the assistant professor, in a hurry to wrap up the semester, touched briefly on this billion dollar a year business: "Of course, there's another way to reach consumers through billboards and other forms of outdoor advertising. Well, have a nice summer and be sure to turn in your term papers by Thursday afternoon."

That's exactly how it happened to me. But nevertheless, if the Institute of Outdoor Advertising has its way. A unique cooperative effort between the Traffic Audit Bureau and the Institute, as well as the major outdoor advertising companies, has given birth to a dynamic approach to helping college and universities teach a comprehensive course on outdoor advertising to business and marketing students.

"Outdoor Goes to College" is the catch-phrase for an educational kit dealing with the principal facets of the out-of-home media business. It covers creative and media considerations and helps to position outdoor in its unique spot in the marketing world.

Among the audio-visual presentations included in the package are the "Media Insurance" slide presentation prepared by Foster & Kleiser, and the four videotapes that make up the Gan-

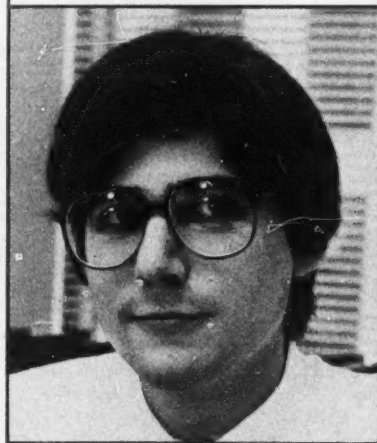
nett Outdoor Creative series. Several other audio-visual and printed materials are provided. Together they create the most comprehensive guide to the outdoor medium ever assembled. The kit is available free to qualified colleges and universities and will be updated on a continuing basis.

The kit is also available at cost to interested groups in the advertising community, and it provides a thoughtful response to those of us who have complained of the lack of information and training opportunities in this unique medium.

Outdoor was called the misunderstood medium, but some of its value must have gotten through to the right people, for in the past ten years expenditures have nearly tripled, making the oldest form of communications the fastest growing among major media.

The next ten years may show even greater growth now that campuses across the U.S. will be using "Outdoor Goes to College" to demonstrate, inform and educate. ■

#### TELEVISION by KEN SACHARIN assoc. media director Compton Advertising/New York



### Why no research on tv clutter?

Imagine that if all consumer magazines were to make the following pronouncement to potential packaged goods advertisers:

1) In the future, advertising space will be consolidated in and restricted to

five to eight separate "banks" throughout the magazine.

2) Each bank will consist entirely of five to nine ad pages (i.e., no editorial material).

3) The only positioning guarantee available to advertisers: "Each brand will receive equitable rotations within advertising banks."

The situation described above would alarm most advertisers who rely to some degree on advertising in magazines to generate sales. Why? By anyone's measure, the more cluttered the advertising environment, the more limited any individual ad's effectiveness will be.

"Clutter" and "effective" are charged words in our business about which there exists little or no agreement. The fact remains, however, that advertising works if and only if the ad is perceived and some information about it is retained.

Positions opposite editorial material are especially important for "low interest" category packaged goods whose potential consumers cannot be relied upon to leaf carefully through each bank pausing briefly to scrutinize each ad.

The net result of such a system: Advertisements buried within banks will, on average, be seen by fewer readers than those facing editorial material. And "equitable rotations" guarantee only that any given brand will suffer disadvantageous positioning (within bands facing other ads) more often than it will enjoy superior positioning (leading or ending a bank, facing editorial pages).

In fact, however, advertisers currently tolerate — *indeed wholeheartedly support* — such a system in network and spot television with surprisingly few complaints!

In recognition of those who will bristle at such inter-media comparisons — it is not my intention to assert the similarities between print and broadcast media. Admittedly, magazines and television are "consumed" differently. But the metaphor is compelling nonetheless.

Tv advertisers evaluate target audience delivery, cost-per-thousand efficiency, and reach accumulation on the basis of projected program audience. But there is no commercial time avail-

## Effect of clutter on commercial audience size (Data from commercials of all lengths)

| Position in chain<br>(Regardless of length of chain)         | Commercial audience size<br>as % of program audience |               |
|--------------------------------------------------------------|------------------------------------------------------|---------------|
|                                                              | 1965-71 study                                        | 1972-81 study |
| First:                                                       | 71.3                                                 | 69.0          |
| Second:                                                      | 69.6                                                 | 68.0          |
| Third:                                                       | 63.5                                                 | 65.0          |
| Fourth:                                                      | 64.4                                                 | 62.0          |
| Fifth:                                                       | 64.9                                                 | 66.0          |
| Sixth:                                                       | 64.6                                                 | 68.0          |
| Seventh:                                                     | 65.6                                                 | 65.0          |
| Eighth:                                                      | 66.2                                                 | 65.0          |
| Last position in chains of 4 or<br>more items:               | 68.2                                                 | NA            |
| Burial in chain preceded and<br>followed by 3 or more items: | 61.4                                                 | NA            |

Source: Burke Marketing Research

able during programs.

Commercial time is generally available within pods — long strings of commercials.

While most advertisers and their agencies recognize this fact, remarkably little is done about it. In the print medium, advertisers demand and frequently receive positioning that enhances the opportunities for exposure.

In television, advertisers rarely request particular positions *within commercial pods*. More often, if any specific request is lodged, it will be for positions within the program: "first half hour," for example. Rotations within the pod are infrequently monitored. And adjustments in audience delivery estimates to account for pod position are never made.

Precious little research has been conducted which addresses this issue — the question of tv position. However, all major studies bearing on this question corroborate the following findings of Burke Marketing Research's 1965-71 study:

(1) Audience size erodes during commercial breaks,

(2) Within the pod, audience size peaks during the first commercial position,

(3) The largest decrement in available audience is associated with the middle positions — those buried within the chain.

Additional research may fine-tune

the figures, but it is clear that the first position in the commercial pod adjacent to programing is the most preferable. It is also certain that this coveted pod position cannot be occupied by all commercials all of the time.

With regard to the major television networks, very little can be done about this. Currently, it is a seller's market. With demand outpacing supply, ABC-TV and NBC-TV refuse to discuss guarantees on first position, arguing instead that all advertisers will be rotated equitably within pods. After preliminary discussions, CBS-TV indicated that guaranteed pod positions might be obtained through negotiation on a limited basis.

The networks' touted "equitable rotations" can be monitored on a regular basis, and any irregularities might be used as a negotiating tool, or as the basis for makegood requests.

Guaranteed first position in the commercial pod might be more successfully negotiated in spot television.

When examining media types during the planning stages, advertisers may also want to consider the potential for favorable pod positioning. For example, individual stations or day-parts might be avoided which tend toward longer commercial pods, thereby increasing the *probability* that any given brand may experience poor positioning within the pod.

Finally, advertisers must encourage

"What really impressed them was that 92.5% of HBR subscribers are managers and professionals."



 **Harvard  
Business Review**

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more research to determine with greater accuracy the extent to which pod position determines potential audience size. For example, the major studies measure prime and access time only and do not factor into their analyses the breaks between programs.

Media expenditures comprise the largest component of the advertising budget. It behooves advertisers to learn what they can about pod position to ensure that media dollars are spent wisely.

Definitive studies in this area have yet to be done. ■

**MAGAZINES**  
by **DAVID C. LEHMKUHL**  
vp, group media director,  
NW Ayer, Inc., New York.



### Breaking rate cards hurts magazines

Even since Ken Caffrey of Ogilvy & Mather discussed the subject at the recent Magazine Publishers Association meeting, rate card breaking has been a hot topic in many media circles. The subject has gotten considerable attention in the trade press with everyone but magazine publishers thinking it's a pretty good idea. And it is a good idea, in concept; after all, how could anyone be opposed to such a money saving-idea.

I think, however, that the subject is not so one-sided and clear-cut, unless you are one who considers only *quantity* of exposures and forgets about *quality* of exposures. Despite the fact that many of the leading names in our industry have presented strong argu-

"The match was won by pointing out that 49.9% of HBR subscribers are chairmen, presidents, managing directors, chief administrators and top managers."



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## Paper Towels and Tissues

**D**oes the word Charmin ring a bell?

More shoppers have surreptitiously squeezed this product over the years than ripe cantelopes — a testament to successful if not exactly enlightened advertising.

Mr. Whipple has done his duty in the marketplace too. Charmin is the number one selling bathroom tissue in the land with no contender in sight, which is quite a feat in a business where brand loyalty depends more often on price than squeezable softness.

As a premium priced brand, Charmin has managed to keep at bay those hordes of cheap generics and private label brands that stormed the market a few years back.

But Charmin's success is even more noteworthy when considering the fact that about the only things squeezed nowadays in the paper business are company profits.

All industry indicators point to a pervasive flatness in towel and tissue production, which translates into only slightly higher shipments — and sales. *Pulp and Paper*, a West Coast trade publication, estimates that tissue production was down 3.6% this year.

Bathroom tissue, towel, napkin, and facial tissue shipments (both production and shipments are the standard in-

dustry yardsticks) revealed moderate gains however. A simple reason can be attached to this phenomenon: there are fewer sheets in every roll or box, which means lighter production but slightly higher consumption as the purchaser runs out sooner, according to an industry report.

As with any industry where sales and market shares are taking a beating, the advertising and promotional atmosphere has become galvanized. Tissue and towel producers, like the airlines, promote vigorously to eke out minute gains in market share in this heavily saturated and mature industry.

Because the national market is so heavily dominated by the behemoths, Scott and P&G, smaller contenders slug it out on regional turf — close to their mills and distribution networks — which spells heavy use of spot tv and radio. Net tv supports the umbrella for those products that sell beyond localized areas.

While sales have not spurted dramatically for anyone — except the generics which are not advertised — media expenditures have exhibited the opposite behavior. The latest LNA figures show a gain of 20% for the most heavily touted brands of Scott but a surprising loss of 19% for P&G's brands, Bounty, Charmin, and White

Cloud. These figures are based on expenditures for the first six months of 1982 versus those of the comparable period last year, showing only six media.

A few other characteristics of this far from placid business should be noted:

- **The growth of generics** appears to have finally peaked along with the rest of the industry. "It scared everyone to death" at first, says one.

Indeed, generics greedily soaked up sales in both towels and tissues back in the late seventies, but plateaued by 1980. The generics' gains were especially damaging to sales of lower-priced branded products; however, premium priced brands were not so adversely affected. Products like White Cloud, Charmin and Scott tissue have managed to hold up well — with, of course, generous ad and promotional support.

Generic products have continued to gain on towel products, which are less recession proof than bathroom tissue. Estimates one source, generics now have 20% market share in the bathroom tissue arena, 25% in paper towels, and below 30% in facial tissue. (Private label shares are included in these figures.)

There's a solid possibility that generic strengths may vary region to region. For example, Jim Jermann, director of groceries for Hannaford Stores, a New England chain, reports that generics are the number one selling brand in his stores.

- **Reduced sheet counts** in many products have sent up howls from var-

ious consumer advocates. This little controversy has not crept unnoticed past marketing and packaging departments of the affected companies.

What happened was the result of two factors:

- (1) New manufacturing processes, that improved strength and absorbency of paper, enabled the maker to put less fiber in a roll of bathroom tissue or towel. Thus the sheet count was reduced.

- (2) Paper companies reduced sheet counts in exchange for maintaining the



price of the product — a simple cost-cutting move.

Both factors converged at P&G. Sheet counts were reduced on both Charmin and White Cloud, but the company claims the quality of both was improved (i.e., more absorbent and softer.) Bounty, however, shrank a few sheets because "the company wanted cost reductions" on the product, says a spokesperson.

P&G, as this sensitive company is wont to do, carefully explained these moves on its packages, but criticism erupted when costs still increased at the retail level. Not only was P&G af-

fected, but numerous other makers attempting to skim their expenses. "There was a hidden price increase over a hidden cost reduction," explains George Adler, paper analyst for Smith Barney.

Advertising has not capitalized on the fact that certain brands have more — or fewer — sheets than others. Explains Adler, "companies have to be careful because at one time or another they all play those games."

- **Value brands** are among the most recent new products. Take Procter & Gamble, for example, whose recent entry lends more credibility to this trend. A new towel product, called Merit, is coming out in test markets. P&G is also, according to one report, experimenting with a smaller bathroom tissue roll, which will be priced competitively with the other lower priced brands on the shelf. P&G had shunned this market for decades — perhaps because it would have cannibalized sales of its own highly profitable premium brands. But when sales were crunched by the economy brands, the company did some re-thinking.

Kimberly-Clark and Scott have traditionally worked this market, with some success. Both of these companies were in auspicious positions when the recession hit: because they had strong brand names, the consumer "traded down" to their low-priced products when looking to save a few pennies.

- **Re-usable towels** are gaining steam, but some question their long term growth. "They defeat the purpose of paper towels," says director of

advertising for consumer paper products at Georgia-Pacific, Arthur Petrey. Paper towels, notes Petrey, are disposable and cheap. Re-usables "defeat the purpose" of paper towels, an objective few paper makers aspire to.

Companies involved: James River, Scott, and Kimberly-Clark (Tough Cat).

● **Promotion** has become the buy-word of the slow growth paper business.

"Everyone searches for some stimulant," says Arthur Petrey of Georgia-Pacific.

Rare is the package of bathroom tissue or box of facial tissues without an offer. Marcal, a brand sold widely throughout the New York area, is one example: during a recent promotion, "sports" wallets were sold for \$2.98, but for each purchase a \$1.00 rebate on the next purchase of Marcal products was given.

Promotion figures importantly in every campaign. Cents-off coupons are frequently used; but just as frequently, prizes of various sorts are bestowed on the collector of the most coupons.

The hectic promotion activity has helped various brands to notch small percentage gains in market share in this intensely competitive field, but it has also depressed profit margins for many companies. Like the airlines, competitive price strategies are often built into the promotion — for example, a premium four-pack of tissue paper is marked down a few cents, perhaps in response to a similar move by a competitor. Once down, it's dif-

ficult for the company to push the price back up.

Activity became so hot on the West Coast that Scott announced it was getting its own brands out of the fray for a while. Prices, it announced, would be stabilized on all brands while savings realized from this move would eventually be "passed on" to the consumer.

● **Media strategies** for most brands is two-pronged:

Television is used for weight advantages and for efficient delivery of im-



pressions to the most important consumer of their products, women 18-34 (though makers note a rising incidence of male shoppers joining their ranks).

Newspapers are used primarily for coupon drops.

Newspaper expenditures for all consumer paper products in 1981 were \$2,669,230, a 10% decrease from 1980.

Net tv expenditures were in 1981 a 10% gain over the previous year. Spot tv saw an increase over 1980 expenditures of 12%.

Also important is radio, which is

used as a promotion tool for some brands, as are magazines, which are part of the mix for many. Some marketers of paper products like magazines which are sold at the check-out counters — not only because they target the shopper directly but also because store managers responsible for selling and positioning their products also read the books. Here's what individual companies are doing:

## Procter & Gamble

It should come as no surprise that P&G is far and away the heavy hitter on a per brand media expenditure basis.

Though LNA figures for 1982 have not yet been compiled, we managed a peak at the first six months which confirm P&G's continued claim to this distinction.

Bounty, which SAMI figures indicate is the number one selling towel brand in the U.S., had spent over \$7 million in magazines, network and spot by June. (Some towel and tissue marketers warn us that LNA consistently low balls expenditures for their brands — perhaps failing to catch in their fish net regional network expenditures.)

Bounty's heaviest push came in net tv which saw \$5.6 million for the first six months of '82. Total year network expenditures will probably exceed \$12 million for the brand, holding to a pattern that saw large gains in net spending for this brand over the past three years.

P&G gives substantially heavier dollar clout to Bounty than to its other



# Media Expenditures of Leading Paper Product Brands in 1981

| Company & Brands           | Total        | Radio  | Magazines | Net Tv    | Spot Tv   | Newspapers | Outdoor |
|----------------------------|--------------|--------|-----------|-----------|-----------|------------|---------|
| Crown Zellerbach           |              |        |           |           |           |            |         |
| Tuff N'Ready Towels        | \$ 709,600   | —      | —         | —         | 709,600   | —          | —       |
| Zee Nice N' Soft           | 1,012,800    | —      | —         | —         | 928,900   | 49,927     | 34,000  |
| Georgia-Pacific            |              |        |           |           |           |            |         |
| Coronet (multi-products)   | \$ 2,178,499 | —      | 372,500   | 1,820,600 | 166,700   | 80,978     | —       |
| Coronet Bathroom tissue    | 1,413,700    | —      | 14,000    | 1,341,400 | 72,300    | —          | —       |
| MD Bathroom tissue         | 465,900      | —      | 161,300   | —         | 304,600   | —          | —       |
| James River                |              |        |           |           |           |            |         |
| Aurora                     | \$ 1,143,500 | —      | —         | —         | 1,123,600 | 19,940     | —       |
| Bolt                       | 1,117,000    | —      | —         | —         | 1,103,300 | 13,720     | —       |
| Galla                      | 890,900      | —      | —         | —         | 849,300   | 41,650     | —       |
| Northern (tissue & towels) | 1,486,700    | —      | —         | 986,800   | 484,100   | 15,760     | —       |
| Kimberley-Clark            |              |        |           |           |           |            |         |
| Kleenex                    | \$ 1,293,600 | —      | 15,400    | —         | —         | 1,169,300  | —       |
| Procter & Gamble           |              |        |           |           |           |            |         |
| Bounty                     | \$12,405,300 | 1,000  | 48,300    | 9,257,700 | 3,007,400 | 130,445    | —       |
| Charmin                    | 8,080,500    | —      | —         | 5,099,300 | 2,925,300 | 55,960     | —       |
| White Cloud                | 9,155,600    | 16,224 | —         | 2,208,300 | 6,931,100 | —          | —       |
| Scott                      |              |        |           |           |           |            |         |
| Cottonelle                 | \$ 2,433,100 | NA     | —         | 357,300   | 1,854,400 | 221,400    | —       |
| Job Squad                  | 2,905,900    | NA     | —         | —         | 2,518,400 | 387,500    | —       |
| Scott paper products       | 4,824,600    | NA     | —         | 33,000    | 4,516,100 | 208,300    | 67,200  |
| Soft N' Pretty             | 423,140      | 8,840  | 104,700   | —         | —         | 116,400    | —       |
| Viva                       | 999,400      | 85,660 | —         | —         | 752,500   | 161,200    | —       |
| Scott bathroom tissue      | 857,500      | NA     | —         | —         | 714,900   | 142,600    | —       |

Sources: LNA BAR, RER, Media Records

paper brands, Charmin and White Cloud.

LNA reveals that Bounty's magazine expenditures have also increased, after a lull in 1981. Expenditures for the first six months of 1982 were \$775,000; expenditures in 1981 were only \$48,000.

White Cloud, the company's other premium bathroom tissue brand which is sold only East of the Rockies, is positioned similarly to Charmin. Tag-lines in ad copy stress the products'

softness. For White Cloud, the motto reads, "little things mean a lot;" and for Charmin, "squeezing gets you; the softness keeps you."

In terms of budget size, both brands mirror one another. Because of their differences in distribution (Charmin is national) the allocation of dollars is different: White Cloud is a heavy spot tv presence, with over \$3 million spent in the first six months. Net tv figures were roughly half this figure.

Charmin's spending is in inverse

proportion to White Cloud's, with net tv collecting most of the money. \$4.5 million was spent in the first six months; less than a million was spent in spot during the same period.

White Cloud, SAMI tells us, is the number four brand on the market.

As mentioned P&G is currently exploring the paper business for other means of access, most likely with an economy brand. The company has yet to announce its intentions with Merit, the towel product currently in test.



P&G's most spectacular failure in its paper products division was Rely. A lesser known mis-cue was Summitt, a low priced bathroom tissue brand that the company distributed to non-food stores. The reason: it didn't want to cannibalize sales of its well established brands in supermarkets. Unfortunately, shoppers didn't adjust their habits enough to buy tissue from any place other than a supermarket and the brand flopped. "You see," says Smith Barney's George Adler, "P&G makes mistakes too."

## Scott

Scott, the other big name in household paper, is making some adjustments in its consumer marketing program. The scope of these will depend on the outcome of several projects currently underway.

These projects focus on pricing strategy and strengthening of the company's brand name.

Indeed, the entire company is realigning itself under a recently announced capitalization program.

Seeking to pull out of un-profitable areas and strengthen profitable ones, Scott hopes to make a fast break in a business that becomes more sluggish with every passing day.

The West Coast pricing strategy, already mentioned, figures prominently in this process. The problem of promoting began to snowball into a serious problem for both retailer and the company.

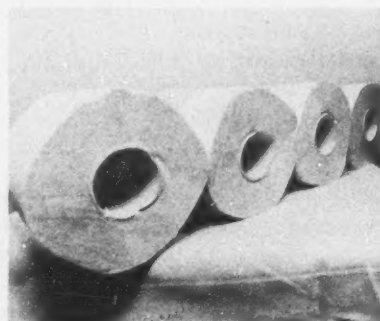
Basically, promoting often begins between these two parties. One company may offer a store a crate of tissues for less than a dollar the going market rate. In turn another manufacturer offers the retailer a slightly sweeter offer — and the bargaining begins.

After such a round of promotion the retailer ends up with more stock than

he can hope to sell within a month and then passes up an order the following month. The process damages the cash flow for both parties.

"We determined that if we stopped dealing so much, we'd have an across the board saving which we could pass on to the consumer," notes Marian Lockett-Egan, vp-media, Scotcom, Scott's in-house agency.

Another by-product of the promotion binge was loss of brand loyalty. Says Lockett-Egan, "The more promotional you get, the less consumer loyalty you have."



Scott proceeded to lower prices and advertised the move with a campaign designated "The Everyday Low Price Plan."

The plan may spread to other regions if this campaign meets with success.

Another new project has been dubbed the Scott Value line, which is tailored to maximize the Scott brand name.

The idea of this project is to stretch use of the widely recognised Scott brand name.

"We wanted to maximize the use of the Scott brand name to its fullest abil-

ity," says Lockett-Egan. "We took name brands from the Northeast and Central areas of the country and represented them as Scott value, defining value as a combination of value and quality, rather than simply price or quality."

The tag-line, "Scott Value," features only those products which already have the Scott brand name.

The company's media authorities are also exploring infomercials — that new and as yet untested form of advertising that gives the consumer information as well as a plug. An actress featuring name-sake Ann Scott gives the viewer or reader a dosage of tips in every ad. These have appeared on *The Home Shopping Show*, the *Weather Channel*, and as one third page verticals in some of the women's books.

## James River

James River is picking up where American Can left off with the paper brands of Dixie-Northern.

The entire division was sold to the Virginia-based pulp and paper manufacturer last year after American Can decided it wanted to pull itself out of one capital intensive business — either cans or paper — and concentrate its energies on financial services.

How this move will affect the advertising and marketing of Aurora, Bolt, Galla, and Northern — all multi-million dollar media investors — still remains to be seen. However one observer feels JR will be more aggressive than American Can, which was rapidly losing interest in its paper entity as a sale began to materialize.

Our source says morale in the marketing division began to crumble around this time, imperiling plans that had been set and possibly setting the stage for a disastrous slippage in market share.

"We went through an unsettling period," says James River director of sales and marketing Paul Bova, who was an American Can transplant. "We did things in marketing and sales just to hold the organization together."

A variety of "team building" exercises were initiated — ones with little impact on the field but mostly designed to patch up the ailing structure.

Part of the plan was to go to retailers and tell them to maintain their commitment to the brands, a commitment that was rapidly fading as the months passed.

The most heavily advertised brands in Dixie-Northern come under the Northern brand name. Products include towels and bathroom tissue.

1981 expenditures were pinpointed by LNA at \$1.5 million, the bulk of which went into net tv and spot (Northern is sold mostly in the Northeast).

Aurora and Bolt, each with expenditures surpassing \$1 million, are mainly spot tv advertisers; like Northern, newspaper is used for coupon efforts.

## Georgia-Pacific

Georgia-Pacific's tagline for its primary tissue and towel product trumpets a standard theme sounded throughout this cost-conscious industry: "Extra value is what you get whenever you buy Coronet."

Promotion, stretched through radio and newspaper, re-inforces this theme; and television supports it with a national backbone.

"We generally run a wave of tv ads when we run a package promotion," says director of advertising Arthur Petrey.

Though tv ads are not always tailored to inform the viewer of the running promotion, G-P reasons that if enough ads are played the consumer will sit up and take notice.

A recent promotion — a simple variant on a standard practice by Georgia-Pacific — offered the purchaser a \$3.00 rebate on a pair of Thom McAn shoes if he could show four proof-of-purchase stickers.

Another promotion: after mailing in the requisite proof-of-purchase stickers, the company sent a Norman Rockwell print.

The media for such ventures: mag-

azines and the package itself. Unfortunately for magazines, "we get more (returns) from the package than the ad (coupon)," says Petrey. "So the package is the best medium."

G-P ads for Coronet are frequently slated for magazines that can be purchased at the point of sale in a supermarket. The reason: "If the books are in the store, the *grocer* will thumb through them and see we have done a promotion," says Petrey. This naturally helps shelf placement of the product. Some of the books used: *Ladies Home Journal*, *Family Circle*, *Woman's Day*, *Redbook*, *People* and *US*.

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**"We did things in marketing and sales just to hold the organization together. — Paul Bova, director of sales and marketing at James River."**

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Coronet, with a 10% market share in tissues and towels, gets marketing ad-rental from a heavy tv schedule that places close to \$8 million a year in time.

This budget includes spot as well as net expenditures. The net campaign, which serves as an umbrella and back bone for Coronet products, gets heavy support on a spot market basis.

The schedule's network program recipe is as follows, says Petrey: 40% daytime, 20% morning news, 20% evening news and 20% primetime. Petrey explains that this mix delivers the maximum level of efficiency to Coronet's target audience, which is composed of men as well as women.

Radio figures as an important medium for Coronet because it complements major promotional events. One event featured a musical jingle on a package of tissues — but only half the jingle. To win the prize, the purchaser was required to get the other half — featured on, of course, another package. Radio ads played the entire jingle — in effect, giving the listener a clue to the other half. Winners received \$1,000. "This would cost a fortune on tv," notes Petrey.

Most package offers are tied into print or radio.

G-P's other major brand group,

MD, a premium priced bathroom tissue, is positioned against Charmin and others of its ilk. It's sold in only ten states.

Media expenditures are proportionately slighter with a less than \$500,00 spent in spot tv and magazines.

## Crown Zellerbach

Crown Zellerbach, the huge paper conglomerate situated on the West Coast, is not a massive presence in media. The reason is that most of its products are distributed on the Coast, hence most money goes into spot tv in those markets where sales are heaviest.

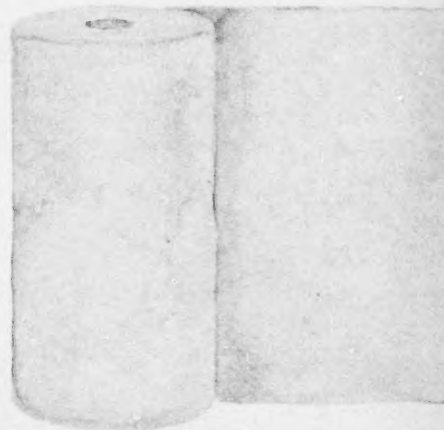
C-Z does a bit of outdoor tailored to the Spanish market; radio has also been tapped for this purpose, says Jim Stanley, director of marketing for consumer products. But tv is strictly "Anglo" he says, with plans designed to deliver women 18 to 49 in day, fringe, and prime.

Zee, the bathroom tissue, recently came out with a facial version. The medium: couponing.

Media expenditures have decreased over a two year period for its major brands, which include Tuff N' Ready towels and Zee Nice N' Soft bathroom tissues.

Zee took most of the attention in 1981 — just over a million went into spot, newspapers and — an unusual medium for this business — outdoor. Tuff, which saw a \$300,00 attrition in media expenditures from 1980, spent only \$709,600, all in spot tv.

Verne Gay





# Decisions

**Cable's top  
20 agency  
spenders**  
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**Index  
of 1982  
edit.**  
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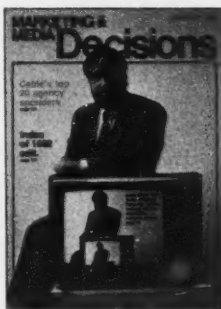
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Guest Editor Allen  
Banks of *Dancer  
Fitzgerald Sample*  
explores net tv's  
diminishing  
audience picture  
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# Tv shares down, prices up! How come?

by Allen Banks

**Guest Editor Allen Banks, media director and executive vp-Dancer Fitzgerald Sample, is alarmed at soaring network tv prices at a time when audience share is dropping. Here is his very complete analysis of what is going on — and suggestions on what to do about it.**

**H**ere we are mid-way in the 1982/83 television broadcast year and a difficult year it has been.

The three television networks' share of viewing continues to decline in all dayparts and yet the cost to buy commercial time is going up! Where else do you spend more to get less?

All of us have reluctantly become accustomed to spending more each year for the same thing that we purchased the previous year. But more for less?

What's going on in the media marketplace, particularly in the tv marketplace, and what can advertisers do about it? What's going to happen next year in an Olympics and national election year?



The easy answer to all of these questions is that, as long as the demand by advertisers exceeds the current finite supply of network commercial time, the prices will go up.

A better response is to take a closer look at what all of the factors are that are creating the pressure on the limited amount of tv time: How much erosion have we actually been suffering? What are the causes for the erosion? Where are the "lost" audiences going? Why doesn't the network pricing reflect the erosion?

Let's take these questions one at a time.

### How much erosion has actually occurred?

Given the fact that the average television household is watching more today than it did three years ago (47 hours/week vs 46 hours/week) and that total viewing among adults has remained virtually the same, it seems a little strange to be talking about audience erosion.

Those of you who haven't been on a deserted island for the past few years know that there are significant changes taking place in U.S. television viewing habits. The changes are brought about by technological advancements that have resulted in a major proliferation of video alternatives available to the television viewer. Included in this video "explosion" are cable, pay television "superstations," video discs, video cassettes, video games and home computers. The video alternatives have given viewers greater control over their home video environment, while having the obvious effect of fragmenting audiences.

The three networks have been hardest hit by this evolu-

tionary process. Every network daypart has been affected, with the young adult demographics being affected the most.

Looking at individual dayparts and starting with primetime tv, the three networks enjoyed a steady 90% share of total viewing through the 1978-79 broadcast year. They lost one share point to 89% in 1979/80; four more in 1980-81 to 85%; six more in 1981/82 to 79%; and by the end of this broadcast year, the networks will average approximately 77% of total viewing.

That's a drop of 13 share points in only four years — and it isn't over! We anticipate that the erosion of audience share will continue, albeit at a slow rate. A drop to 73% by 1984/85 seems likely.

After two years of denials, the networks now appear to be addressing the problems of diminished audiences and countering with quality programming and schedule stability.

In daytime, the three networks' 77% share of households in 1978/79 dropped to 75% by 1979/80; 73% in 1980/81; reached 69% by 1981/82; and we believe will reach 64% by 1984/85.

As could be expected, the pattern for individuals is similar to that of households and, in some cases, is even worse. Look at what has and will happen to women 18-49 network shares, for example:

|         | Prime | Day | Late night |
|---------|-------|-----|------------|
| 1979/80 | 88%   | 82% | 70%        |
| 1981/82 | 77%   | 78% | 54%        |
| 1984/85 | 65%   | 72% | 48%        |

## Allen Banks' alternatives to high cost net television

**1. Reexamine less expensive network television dayparts.** This is an obvious alternative to primetime advertisers who are being hurt by escalating prices. While there are many reasons why the primetime daypart is used by advertisers, the changing viewer patterns and lower costs may well make other dayparts like late night, early morning, all night news, etc. more attractive.

**2. If Cable households are important to your products, buy usual networks selectively:**

Since network television receives the largest budgets and audiences, fine-tuning the network buy is a logical first step. A recent DFS analysis revealed that some networks, program types and programs performed better than others in pay cable homes. For example:

- Later primetime (9-11 p.m.) appears somewhat more immune to

erosion than 7-9 p.m., probably due to factors of non-adult set control.

- Situation comedies and suspense/mystery dramas experienced less erosion than other program types.

- Feature films were most impacted, having probably aired on pay cable. Recent history (e.g. *Superman*, *10*, *Kramer vs. Kramer*) has shown that movies, normally expected to be television blockbusters, have had their ratings sharply depressed.

**3. Syndicated television programming provides a number of advantages to advertisers.** Where carefully selected, a fine-tuned use of syndication, matching marketing profile with the right program mix, can provide:

- Efficiency guarantees on households and demographics that are 10-20% more efficient than networks.

- Deliver station lineups and clearances comparable to network.

- Deliver a high concentration of a brand's target audience.

- Offer opportunities to flight commercial weight as needed.

- Selectively can provide excellent production values and appropriate program environment.

- Offer program identification and billboards.

- Provide product protection.

- Offer merchandising potential.

**4. Utilize local market television and, in particular, independent television stations.** The opportunity to place additional advertising pressure in key sales markets and to select programming that has been effective against both network and cable fare must be considered.

**5. Buy cable!** Cable penetration is now at 35% of all U.S. households and is likely to be between

## What are the causes of declining audiences?

Among the causes of audience declines are growth of cable tv, strikes, unoriginal programming, more repeats, counter-programming by independents. Taking them one at a time, here's the picture that evolves:

**CABLE TELEVISION.** It's been growing at an amazing pace, but two-thirds of all tv homes are still unwired. And of those with cable, most can view no more than twelve channels. So while cable tv has definitely contributed to the networks' share erosion, it is not the major culprit.

**INDEPENDENT STATIONS.** Over the past few years, they have become much more sophisticated in their programming practices in all dayparts, and more aggressive in buying mass appeal, off-network programs.

For example, while all three networks were featuring evening news, local independents started to program reruns of popular network shows like *MASH*. Instead of competing with the networks' half hour, all-family situation comedies from 8 to 9 pm, many independents began to offer feature films.

They started their own late news at 10 pm instead of waiting until 11 pm when all the network affiliates had local news programs.

More and more, however, there are indications that the networks themselves must bear much of the responsibility for audience losses.

**STRIKES.** The 1980-81 network season began during a strike by the Screen Actors' Guild and AFTRA. In the

1981-82 season, it was the turn of screenwriters to strike. As a result, traditional fall viewing patterns were disrupted and, perhaps even more important, new shows were written and produced on frenzied schedules for two years in a row.

This year, the strike by football players had an effect on network viewing on weekends and on Monday evening — particularly by young men.

**NETWORK PROGRAMING.** Sum it up for the past few seasons in three words: *Play it safe*.

Reacting in part to threats of a boycott by conservative groups, the networks seemed to have avoided controversy. CBS and ABC were close in the ratings, and neither wanted to risk too much innovation. At NBC, nothing they tried seemed to work.

**SCHEDULE SHIFTING.** In addition, the networks seemed quicker than ever to cancel and replace struggling shows after just a few episodes and to shift days and times of broadcast at any point during the season.

**FINANCIAL CONSIDERATIONS** resulted in cutting back on the number of new episodes produced, creating an increased period of network vulnerability during repeats, which now start as early as March. Further, theatrical feature films, once sure-fire ratings winners, had some of their value diminished by being available first and uncut via pay tv.

Is it any wonder that viewers began to turn to the growing number of alternatives?

Continued on page 104

40% and 50% by 1985. Older cable systems will be upgraded to offer more channels of viewing (as many as 120), which will only further fragment viewing audiences.

By definition, cable advertising guarantees that the message can be received in cable homes. But even though cable offers increased channel capacity, the average viewer with 25 channels or more to choose from only watches about eight during an average week.

Therefore, targeting a buy on a cable network based on audience appeal and geography is crucial, as are the "next steps":

- Buy cable to recapture viewers — that is to compensate for network television underdelivery in cable homes.

- Buy cable creatively — matching brand target objective with programming appeal and format.

- Develop and place programming. Produce programming for specific clients and place on appropriate networks.

- Test new creative approaches — such as special copy and long-form "informercials."

- Conduct research — on cable environment, viewership and subscribers' attitudes.

**6. Seek out opportunities to become involved in program development.** Fresh new programming is especially needed now for both broadcast tv and cable. While there are certainly risks, the rewards for a successful program idea are great. The program environment is controlled by the advertiser as are the production costs. A program that makes it, pays high dividends.

**7. Rely less on the thirty second commercial length.** While clutter is certainly something to be concerned about, those advertisers with multiple products must start to experiment with shorter length commercials. What was once said in sixty seconds is now said, for the most part, in thirty. Isn't it now time

to be looking at integrating three twenty second messages into a sixty second unit, with the expectation that as time passes the twenty becomes the new dominant commercial length?

**8. Use other media.** Another obvious suggestion, but one that doesn't get enough serious consideration is the other major media of radio, print and out-of-home. They can be very effective.

That's eight ideas of what can be done to reduce the effects of network erosion — and only one of them still suggesting the use of primetime network.

The *ninth*, and perhaps most important one, requires courage from both advertisers and their agencies: *Don't buy network primetime television (or for that matter any medium) next year because that's what you did last!* Costs are going up in television, and in particular primetime, not because of an increased price/value relationship.

## HOW COME?

(from 59)



### Where have the lost viewers gone?

To answer the question of where the viewers have gone, we have to divide all tv households into three segments:

1. Households without cable — 63% of U.S. tv households.
2. Households with basic cable — 16% of the U.S. These households pay an installation charge and then a monthly charge of about \$10.
3. Households with pay cable — 21% of the U.S. These homes pay the monthly fee for basic cable plus a second monthly fee of another \$10 for additional cable channels like Home Box Office, Showtime, and one or more other program services.

In primetime, during the 1981-82 season, U.S. tv homes

without cable gave 85% of their primetime viewing to networks and 17% to "Other On-Air" — mainly independents and public broadcast (non commercial) stations.

In homes with basic cable, the networks' primetime share was only 76%. They watched independents and PBS for 21% of the time, and cable tv channels 5% of the time.

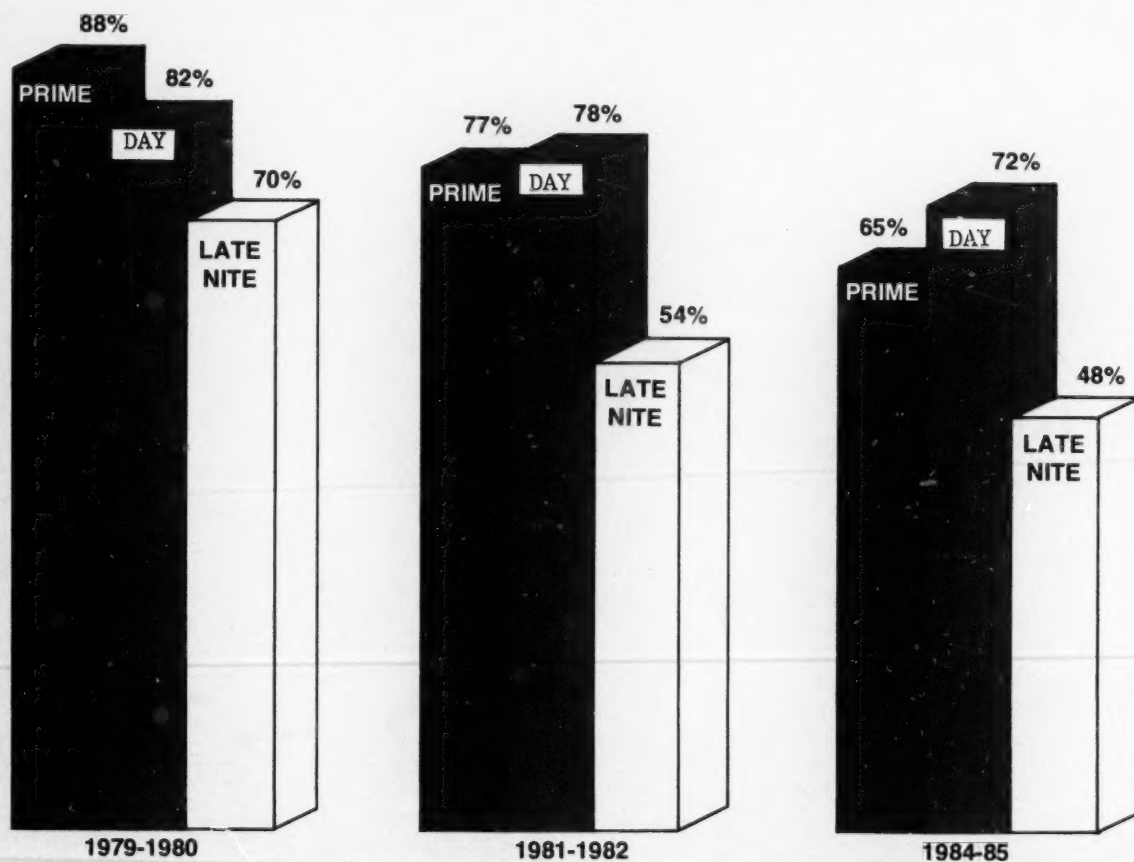
One reason these cable homes watch more independents is because they now have access to the so called "superstations" (WTBS Atlanta, WOR New York, WGN Chicago), as well as to local stations from nearby major markets that are being imported into their home towns.

The most dramatic pattern is seen in households with pay tv. Although they watch more tv over-all — 18% more than non-cable homes, they do much less viewing to the three networks — just 59%. The key fact here is that these households devoted 20% of their 1981-82 primetime viewing to the pay cable channels — as much as to one of the three tv nets. But then, they are paying extra for that "fourth network" availability.

In daytime tv, non-cable homes gave 82% of their viewing to the networks, and 19% to "other" — mainly to independent stations.

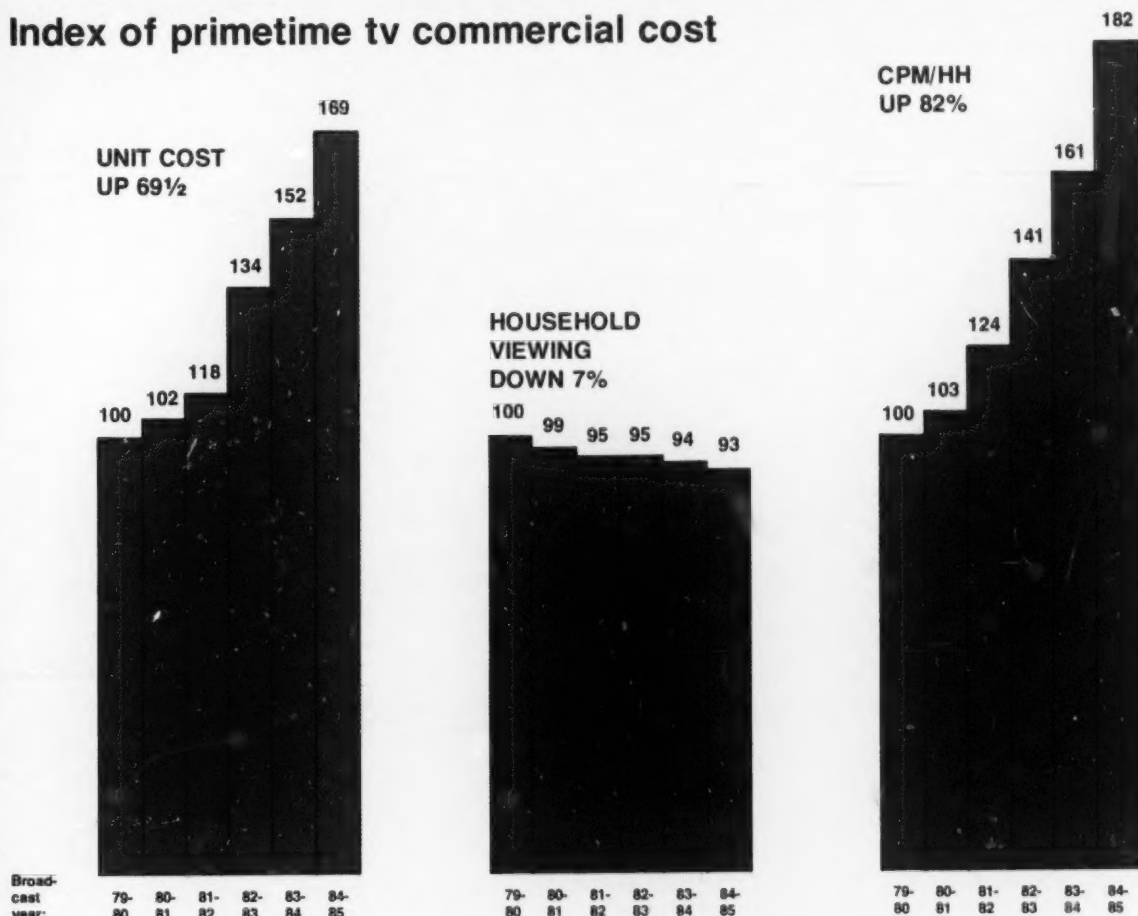
The basic cable households gave 71% of their viewing to the three networks, 24% to independent stations (again in-

### D-F-S view of erosion of 3-net primetime audience, women 18-49





## Index of primetime tv commercial cost



Source: D-F-S based on A. C. Nielsen.

cluding the superstations available via cable), and 6% to cable tv channels.

Again, the big difference is in homes with pay cable.

The networks' share was down to only 58%, the independent and superstations got a 25% share of viewing, and the pay cable channels cornered 12% of the viewing. This 12% reflects the relatively recent expansion of Home Box Office to 24-hours-per-day, seven-days-per-week service. Many women in pay cable homes have been weaned away from watching just the network soap operas and game shows to recent and classic movies.

To summarize the obvious, network erosion is most severe in pay cable homes.

What does this network tv erosion do to a schedule of 100 rating points? In the Nov. 81-July 82 period, 100 primetime rating points nationally produced 107 grps in non-cable homes, 94 points in basic cable homes, but only 87 grps in pay cable homes.

In daytime, 100 national rating points produced 103 grps in non cable homes, 92 in basic cable and 95 in pay cable homes.

### Why should we care about cable homes?

Pay cable households are more upscale than non-cable

households. Pay cable households have superior demographic characteristics. They have better incomes, larger families, younger and better educated heads of household, as shown in this table:

|                                              | Non-cable | Basic cable | Pay cable |
|----------------------------------------------|-----------|-------------|-----------|
| Household income 25M +                       | 30%       | 31%         | 44%       |
| Household size 3 +                           | 45        | 47          | 59        |
| Head of household 18-34                      | 30        | 29          | 41        |
| Head of household 18-49                      | 55        | 53          | 74        |
| Head of household attended/graduated college | 33        | 35          | 37        |

Source: SMRB 1981.

### What effect on network prices?

And what has been the effect of network tv erosion on network pricing? You all know the answer: The networks have been increasing their prices despite their declining audience, declining both in absolute viewers and on a share-of-viewer basis.

First primetime: The cost per unit as reported by the A.C. Nielsen Co. through 1981/82 and estimated by DFS for

1982/83 and beyond shows a hefty 69% increase in five years.

| Broadcast year | Cost      | Index |
|----------------|-----------|-------|
| 1979-80        | \$ 62,800 | 100   |
| 80-81          | 63,800    | 102   |
| 81-82          | 73,900    | 118   |
| 82-83          | 83,840    | 134   |
| 83-84          | 94,940    | 152   |
| 84-85          | 105,880   | 169   |

And the trend in the primetime household audiences viewing the average commercial (which takes into account the growth in the number of tv households) - is anything but up!

| Broadcast year | Households | Index |
|----------------|------------|-------|
| 1979-80        | 13,180,000 | 100   |
| 80-81          | 13,050,000 | 99    |
| 81-82          | 12,550,000 | 95    |
| 82-83          | 12,500,000 | 95    |
| 83-84          | 12,410,000 | 94    |
| 84-85          | 12,250,000 | 93    |

With costs up 69% in five years, and absolute numbers of viewing households down 7%, the effect on costs per thousand is devastating:

| Broadcast year | CPM HH | Index |
|----------------|--------|-------|
| 1979-80        | \$4.75 | 100   |
| 80-81          | 4.89   | 103   |
| 81-82          | 5.89   | 124   |
| 82-83          | 6.71   | 141   |
| 83-84          | 7.65   | 161   |
| 84-85          | 8.64   | 182   |

And it's even worse if we look at the cpm's for specific demographics. For example, since adults 18-49 viewing network in primetime is dropping faster than household viewing, the cost to reach this group of people will more than double:

| Broadcast year | Adults 18-49 Audience Index | Adults 18-49 Cpm Index |
|----------------|-----------------------------|------------------------|
| 1979-80        | 100                         | 100                    |
| 80-81          | 96                          | 106                    |
| 81-82          | 91                          | 130                    |
| 82-83          | 88                          | 153                    |
| 83-84          | 85                          | 179                    |
| 84-85          | 82                          | 208                    |

The situation in daytime is almost as disturbing:

| Broadcast year | Cost per unit | Women 18-49 Audience Index |
|----------------|---------------|----------------------------|
| 1979-80        | \$10,000 100  | 100                        |
| 80-81          | 10,300 103    | 96                         |
| 81-82          | 11,200 112    | 92                         |
| 82-83          | 12,350 124    | 87                         |
| 83-84          | 14,230 142    | 86                         |
| 84-85          | 15,910 159    | 84                         |

Unit costs in *daytime* will not go up quite as fast, but the adult 18 to 49 audience will also erode. The effect on daytime efficiency is estimated as follows:

| Broadcast year | Index-Women 18-49 Audience | Cpm |
|----------------|----------------------------|-----|
| 1979-80        | 100                        | 100 |
| 80-81          | 96                         | 106 |
| 81-82          | 92                         | 117 |
| 82-83          | 87                         | 136 |
| 83-84          | 86                         | 159 |
| 84-85          | 84                         | 181 |

## "How can the networks do this to advertisers?"

This is a question that I have had put to me any number of times over the past few years. The overall inflation; inflation in other media; the networks' costs; supply & demand — are all factors.

**INFLATION.** It's a fact of life in every facet of the American economy — raw materials, land, taxes, wages. The price of just about everything has risen and keeps on rising. Let's look at the consumer price index, a commonly used benchmark for measuring inflation.

| Year        | Consumer price index | Index |
|-------------|----------------------|-------|
| 1979        | 217                  | 100   |
| 1980        | 247                  | 114   |
| 1981        | 272                  | 125   |
| 1982 (July) | 292                  | 134   |
| 1983*       | 314                  | 144   |
| 1984*       | 338                  | 155   |

\* Estimated, assuming a 7.5% annual increase.

When compared to this 55% increase over 5 years of the consumer price index, the 69% increase in the absolute cost of a primetime network tv 30-second commercial is not quite as exorbitant as it first appears.

**OTHER MEDIA COSTS.** On a cost per thousand basis, others have also been rising, and often as fast or faster than the underlying inflation rate.

In magazines, the cpm circulation of a four-color page is expected to rise by 55% in the five years from 1979 to 1984:

| Year | Cpm circulation Dollars | Index |
|------|-------------------------|-------|
| 1979 | \$ 8.70                 | 100   |
| 1980 | 9.48                    | 109   |
| 1981 | 10.48                   | 120   |
| 1982 | 11.45                   | 132   |
| 1983 | 12.37                   | 142   |
| 1984 | 13.48                   | 155   |

In those same five years, network radio's cpm against adult listeners to a 60-second commercial will increase an estimated 53%:

| Year | Cpm adult listeners Dollars | Index |
|------|-----------------------------|-------|
| 1979 | \$1.84                      | 100   |
| 1980 | 2.01                        | 109   |
| 1981 | 2.25                        | 122   |
| 1982 | 2.42                        | 132   |
| 1983 | 2.61                        | 142   |
| 1984 | 2.82                        | 153   |

**TV NETS' COST FOR PROGRAMING.** This has risen much faster and steeper.

According to our estimates, their costs remained relatively stable in the five years between 1970 and 1975, but skyrocketed in the next five years, and are continuing to do so:

| Half hour series      | 1970      | 1975      | 1980      |
|-----------------------|-----------|-----------|-----------|
| Average cost          | \$ 95,000 | \$120,000 | \$300,000 |
| % Change (by 5 years) |           | +26%      | +150%     |
| Hour series           |           |           |           |
| Average cost          | \$200,000 | \$250,000 | \$625,000 |
| % Change (by 5 years) |           | +25       | +150      |

Why this sudden and sharp increase?

The networks deal with strong craft unions who have become significantly more hard-nosed in their demands for wages, fringe benefits and residuals. The acting talent is signed for short-term contracts. If a show becomes a hit, these stars feel that they are the primary reason for the show's success and command extremely high salaries. All these are contributing factors to the increases in network costs. But the major factor is simply *supply and demand*.

The supply has been almost totally inelastic. The networks have done very little to increase the number of commercials available for sale. Two years ago, the networks added two 30-second commercials to each made-for-tv movie and other two-hour programs by eliminating sponsor billboards. This season, ABC added 7 prime 30's per week and will add seven more per week by next September. CBS is standing pat. NBC and CBS have also added one 30 per evening news program.

This has been a minimal increase in the absolute supply of network commercials. However, this has been offset in the past two seasons by the networks' necessity to hold off the market a significant part of their inventory so as to compensate advertisers whose cpm guarantees were not met due to lower-than-expected ratings. This depressed the supply particularly in the second and third quarters in 1981 and 1982.

**THE DEMAND.** Competition for network television time in all dayparts is stronger than ever before. Why? Here are the major reasons:

1. Network television is the major medium used by America's largest advertisers, has been for decades, and continues to account for an ever larger share of their total measured advertising expenditures.

|      | Total media |       | Network tv  |       | Net tv as %<br>of total media |
|------|-------------|-------|-------------|-------|-------------------------------|
|      | \$(Billion) | Index | \$(Billion) | Index |                               |
| 1978 | 7.00        | 100   | 3.10        | 100   | 44                            |
| 1979 | 7.97        | 114   | 3.55        | 115   | 45                            |
| 1980 | 8.44        | 121   | 3.90        | 126   | 46                            |
| 1981 | 9.45        | 135   | 4.29        | 138   | 45                            |

2. The traditional network tv advertisers have steadily increased their spending in the medium. Here are some examples:

| Advertiser       | Network spending (in millions) |       |       |       |
|------------------|--------------------------------|-------|-------|-------|
|                  | 1978                           | 1979  | 1980  | 1981  |
| Procter & Gamble | \$262                          | \$290 | \$361 | \$393 |
| General Foods    | 169                            | 203   | 201   | 238   |
| General Motors   | 108                            | 118   | 123   | 147   |
| AT&T             | 41                             | 55    | 57    | 70    |

Source: B.A.R.

Of course, part of these increases represent higher network pricing, and the need to purchase more commercials just to maintain the same numbers of rating points and advertising impressions. With each commercial spot accounting for fewer rating points, just staying even with last year's plan creates pressure on the limited amount of commercial time.

New product introductions also have created additional demand. The key point, however, is that the networks best customers seem to be increasing their investment in the medium.

3. The networks have also been the beneficiaries of vastly

increased spending from categories which barely used the medium in the past. Here are 3 examples:

|                 | Network spending |               |
|-----------------|------------------|---------------|
|                 | 1976-77          | 1981-82       |
| Cameras         | \$26,500,000     | \$ 95,000,000 |
| Motion pictures | 12,400,000       | 170,000,000   |
| Fast foods      | 52,400,000       | 300,000,000   |

And then there are the brand new categories of network tv advertisers which didn't even exist three years ago, like:

|                  |                          |
|------------------|--------------------------|
| Electronic games | \$105,000,000 in 1981-82 |
| Home computers   | 75,000,000 in 1981-82    |

This mammoth influx of new and increased spending is affecting the way the tv networks sell their merchandise.

With supply fairly steady and demand rising, networks have been selling more of their availabilities on an up-front basis; that is, selling an advertiser most or all of his commercial requirements for the entire broadcast year (September through the following August) 4 to 16 months in advance — in the preceding Spring or Summer.

It was estimated that the networks made sales of \$1.6 billion up-front in primetime in 1981-82, and more than \$2.1 billion in this manner for the 1982-83 season — a better than 30% increase. Up-front buying also has become a fact of life in other dayparts, which in prior seasons were sold mainly on a quarterly basis.

The rush by advertisers to assure themselves of their network tv requirements has had two startling side effects:

- Prices for quarter-by-quarter purchasers in all dayparts, but particularly in primetime, have risen more so than in the past. The estimated cost per thousand being charged by the networks for the commercial time on a scatter, or as needed, basis are 15% to 20% higher than those which the up-front buyers paid.

- The networks have sold a remarkably high proportion of inventory in all dayparts, but especially in primetime.

What this all boils down to is that we have two problems, each feeding on the other: network television prices are going up and networks' share of audiences are going down. While it is clear, from the demand that exists for the finite amount of inventory and the increasing cost to produce television programs, that network prices would probably go up anyway, the fact that audiences are being weaned away to alternative programing certainly doesn't help.

If we want the prices to stabilize, if not decrease, all of us responsible for creating demand must give serious consideration to using other ways to effectively communicate our products/services to the ultimate user. They exist; use them! If we do, we will bring back some reason to the pricing structure.

Consider what is going to happen next year if we don't. Two Olympics and the lead-up to a Presidential Election will reduce already limited network tv inventory, creating even bigger problems for advertisers who don't use the other tools available to them.

The alternative suggested on page 58 and 59 are a beginning. I am sure that you can add to the list. Please do! If you don't, the history of the past five years will only seem like child's play in comparison to what we will be experiencing in the future. ■



# Agencies see bright year for cable, if . . .

The *if* is continued economic recovery, which may push billings at top 20 agencies in cable up 45% in 1983. Their ante in cable should be \$190 million — close to half of that medium's projected billings this year. Also in this report: Cable Ad Scorecard, a clip-and-save guide to the top 20 agencies in cable, showing total billings, clients in cable, satellite networks used, key media decision makers.

Like the premature reports on Mark Twain's death, indications of the demise of the cable television industry in 1983 appear to be greatly exaggerated.

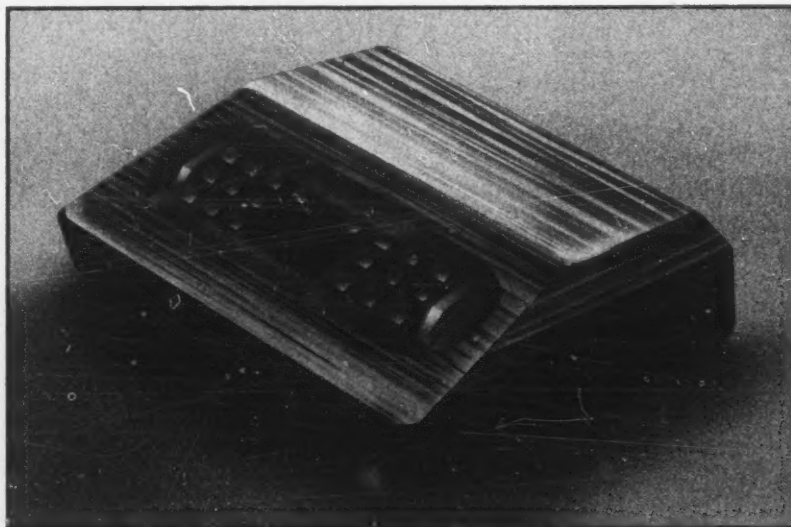
Although the termination of the CBS cultural service sent tremors through the cable community, billings projected by the top 20 agencies in cable show an increase of 45% on average over 1982.

The top 20 agencies in cable expect to collectively bill about \$190 million, close to half the \$383 million projected for '83 by analyst Paul Kagan. But most media directors contacted by *Decisions* admit their projections hinge on an economic turn-around.

If a continued economic down-turn forces advertising budget reductions, allotments for cable would be the first to be trimmed because they are often the most difficult to justify. But agencies are taking an optimistic view and presuming economic circumstances that justify expanded cable expenditures.

Generally, the view of the top 20 agencies supports the optimism voiced by Bob Alter, president of the Cabletelevision Advertising Bureau: "1980 will be a good year for cable for a variety of reasons." Among them, he cites the decline in network television shares, which is causing concern among major advertisers about under-delivery in cable households, the increase in cable penetration and the growth in the cable audience.

Alter acknowledges that the



Art by Michael Horen

economy could have a diminishing effect on cable usage in 1983. "We are concerned about the economy," he said, "because cable is seen as supplementary, and often gets blown away if the budget must be cut."

Another factor in cable use has been inflated expectations as to what cable can deliver in audience quantity and quality. A more realistic view of cable's value as an advertising medium is expected to prevail within the media community as 1983 unrolls.

The agency with the biggest percentage gain in cable billings in 1983 will be Kenyon & Eckhardt. An expected big buy by Chrysler, if it comes through, will bring that agency's billings up from \$3.25 million last year to about \$11 million. Senior vp-director

of corporate media services Bill Tennebruso said the Chrysler deal is pending, but no firm commitment has yet been made.

The heaviest billing agency in cable continues to be Young & Rubicam. Last year the agency projected billings of \$24 million, far above any other agency *Decisions* contacted, and actually came in with \$22 million. For 1983, Ira Tumpowsky, vp-group supervisor for cable, projects an increase of 20%, which comes out to about \$27 million.

Tumpowsky, who contends that "Y&R discovered this new medium five years ago," notes that in the past two years the agency has doubled its cable billings each year. In 1983, he

Continued on page 118

expects there will be "a plateauing." But, he adds, if the subscribing cable audience grows substantially, billings will expand by 20%.

The impediment to greater usage of cable, Tumpowsky believes, is attributable to "those clients of the agency who haven't used cable previously and have no intention of using it in an unfavorable economic climate. Those clients who have been using cable regularly, generally continue to use it with some degree of continuity."

New clients in cable last year for Y&R include Johnson & Johnson, Kodak, CBS Records, Clorox, Canada Dry and Atari.

BBDO is projecting a substantial increase in billings this year. Arnie Semsy, executive vp - director of media and programing services, expects the agency's cable billings to in-

crease by 50%, from \$10 million to \$14 million.

J. Walter Thompson expects a more modest increase in cable billings this year, in line with the 1982 increase, which was about 13%, to bring the total to about \$8 million. Norm Varney, senior vp-new electronics media development at JWT, said he expects cable billings to grow in relation to the growth in the cable audience.

But rather than an increase in cable network buys, he looks for real growth that will come from local cable buys on a spot basis. He said that at JWT last year, between 5% and 10% of the budget in cable was invested in local spot buys. He thinks the percentage invested locally by the agency will double in 1983.

The greatest area of growth for cable advertising, he predicts, will be buys in local sports events.

Ogilvy & Mather's Ken Caffrey, senior vp-executive director, media operations, is expecting a 40% increase in last year's modest cable billings of \$2.5 million, to a \$3.5 million 1983.

The big move at O&M last year was General Foods' multi-year, multi-program contract with Hearst/ABC. But the agency also wrestled with the onerous format considerations presented by cable. Three new creative approaches were tested for the three divisions of American Express — the card, traveller's check and financial services.

Campbell-Ewald, Detroit, is expecting a 38% increase in cable billings this year, from \$13 million to \$18 million. But Dave Martin, senior vp-director of broadcast media was quick to add the caveat, "If the business picture doesn't improve, all that could go right down the tubes."

Wes Dubin, senior vp-broadcast at Needham Harper & Steers, contends that cable operators and programers must get their act together to gain a more effective presence if cable is to win more media dollars. "The high network prices this year have ironically left little money in buyers' hands for cable. Cable must make a concerted effort to work itself into the media plan now."

NHS projects a 15% increase in cable billings in 1983, from \$4.6 million last year, up to \$5.3 million this year and up again to over \$6 million in 1983.

Marschalk's media director, Steve Segal, is expecting a boost in cable business this year with Heublein and Coca-Cola increasing their commitment to the medium.

But for advertisers who are devoted to the rigors of statistical research, Segal warns that cable still seems a dubious medium. "You get the smallest audience with cable and, because it has been little researched, if you are trying to defend every ad dollar you probably aren't going into cable," he says.

*Rebecca Fannin and Fred Gardner*

## Cable billings of top 20 agencies in cable

\$131 MILLION



1982

\$190 MILLION



1983

See page 122 for the Cable Ad Scorecard, a clip-and-save guide to cable.

## CABLE AD SCORECARD

A clip-and-save guide to the top 20 agencies in cable

**Frank Gromer,**  
senior vp -  
national dir.  
of media



Of 22 clients in cable, the following 10 are in monitored cable networks.

Mazda  
Levi  
Clorox  
Lanier  
Pearle Vision  
Speed Queen  
Kraft  
Swift  
Sears  
Zenith

Cable networks used include: MTV, CNN, WTBS, ESPN, Weather, USA, CBN, SNC

Estimated billings in cable:  
1982: \$5.5 million  
1983: \$10 million

**Dick Simon,**  
vp - assoc dir.,  
corp. tv



M&M/Mars (MTV, ESPN)  
Anheuser-Busch (All)  
Cadillac (ESPN, USA)  
Pontiac (ESPN, USA)  
Ace Hardware (ESPN, USA, CNN)  
Bank of America (Local)  
CPC (Local)  
Standard Oil (Local)  
3M (Unassigned)

Estimated billings in cable:  
1982: \$9 million  
1983: \$10 million

**Dave Martin,**  
senior vp -  
director of  
bdcst media



Goodyear  
Chevrolet  
Burroughs  
AC Delco  
GMAC  
Nat. Car Rental  
Systems used include:  
SNC, WTBS, CNN,  
Daytime, ARTS, Weather,  
CHN, CBN, CNNII, Mad.  
Sq. Garden, Sports  
Channel, and local  
systems.

Estimated billings in cable:  
1982: \$13 million  
1983: \$18 million

**Wes Dubin,**  
senior vp -  
broadcast



Xerox (ESPN, USA, WTBS)  
ITT (CBS)  
Kraft (WTBS, USA, Daytime)  
Honda (ESPN, WTBS)  
General Mills, (WTBS, CNN, CBN, BET, USA, Daytime)  
G.D. Searle (CNN)  
Dorsey Laboratories (CHN)  
Wrigley's (WTBS)  
Shasta (MTV)  
S.C. Johnson (MTV)

Estimated billings in cable:  
1982 - \$4.6 million  
1983 - \$5.3 million

**Allen Banks,**  
sr. vp -  
media dir.



Duracell (CNN, USA, Weather)  
Ethan Allen (Pending)  
Florida Citrus (WTBS)  
Hanes (CNN, USA)  
Kenner (Daytime)  
L'Eggs (USA, CNN, WTBS, Daytime)  
Lifesavers (Pending)  
Parker Brothers (WTBS, MTV)  
Procter & Gamble (CHN)  
Toyota (CNN, USA, WTBS)  
Wrangler (WTBS, MTV, USA)

Estimated billings in cable:  
1982: \$7 million  
1983: \$10 million

**Steve Fajen,**  
senior vp -  
media dir.



Procter & Gamble (WTBS, CNN, CBN)  
Johnson & Johnson (WTBS, CNN, ESPN)  
American Motors (CNN, WTBS, ESPN, Weather)  
Thompson Medical (WTBS)  
National Enquirer (WTBS)

Estimated billings in cable:  
1982: \$6 million  
1983: \$8 million

**BEST AVAILABLE COPY**



J. WALTER THOMPSON

TED BATES

**Norm Varney,**  
senior vp -  
new electron.  
media devel.



Dunlop (ESPN)  
Orkin (WTBS)  
Six Flags over Georgia (WTBS)  
Activision (ESPN, USA, Weather, MTV)  
Jovan (MTV)  
Kemper (WTBS, USA, ESPN)  
Kraft (CBS, WTBS, CBN)  
Quaker (CNN, WTBS, Daytime, USA, ESPN)  
Ford (ESPN, CNN, WTBS, USA, CBS, MTV, ARTS, BET, SNC)  
Anco (WTBS, ESPN)  
Champion (WTBS, ESPN)  
Kodak (WTBS, ESPN, USA, CNN, CHN, Weather, CBN, BET, ARTS, CBS)  
Reynolds (USA, MTV, USA, ESPN, CNN)  
W.F. Young (USA)  
American Gas Assn. (CNN, Weather, USA, ESPN)  
Goodyear (ESPN, WTBS, Weather)  
US. Marines (MTV, WTBS)  
National Education Assn. (CNN)

Estimated billings in cable:  
1982: \$8 million  
1983: \$10 million

**Walter Reichel,**  
senior vp -  
executive  
director,  
media and  
programing



General Foods  
Colgate  
M&M/Mars  
Warner-Lambert  
ITT/Continental  
Mobil  
Coors  
Panasonic  
Prudential  
U.S. Navy  
Carter-Wallace  
Cal Can  
American Cyanamid  
Home Box Office  
TV Cable Week  
Cable networks used for  
Bates clients include: CBS,  
BET, CNN, CBN, ESPN,  
MTV, USA, WTBS, WOR,  
WGN.

Estimated billings in cable:  
1982 \$3.2 million  
1983 \$4.5 million

BACKER & SPIELVOGEL

N.W. AYER

DOYLE DANE BERNBACH

**Steve Leff,**  
executive vp -  
director of  
media  
services



Miller Beer  
Campbell Soup  
Sony  
Savings & Loan  
Foundation  
Cable networks used but not  
specified by clients include:  
USA, ESPN, CNN, CHN,  
MTV.

Estimated billings in cable:  
1982: \$5 million  
1983: \$6 million

**Marcella Rosen,**  
senior vp -  
media dir.



Seven-Up (MTV)  
General Motors (ARTS, CNN, C-SPAN)  
U.S. Army (WTBS, ESPN)  
DuPont (ESPN)  
AT&T Corporate (ARTS, C-SPAN)  
AT&T Long Lines (WTBS, ARTS, CNN)

Estimated billings in cable:  
1982: \$1.8 Million  
1983: \$3.5 million

**Watson James,**  
vp - video  
technology/  
programing



Atari (ESPN, MTV, WTBS, CNN, USA, ARTS)  
Bu'ova (CNN)  
Celestial Seasonings (CHN)  
Chanel (Telefrance)  
Citicorp (CNN, WTBS, CBN)  
GTE (ESPN, CNN, WTBS)  
IBM (ESPN, BET)  
Mobil (USA, ESPN, BET, WTBS)  
Ore-Ida (WTBS, CNN, Daytime)  
Polaroid (ARTS)  
Porsche-Audi (USA, ESPN)  
Stroh (WTBS)  
Sylvania (ESPN)  
Universal Pictures (MTV, USA, ESPN, CNN, Daytime, ARTS)  
Volkswagen (USA, ESPN)  
Weight Watchers (CNN, Daytime)

Estimated billings in cable:  
1982: \$7 million  
1983 \$13 million

YOUNG & RUBICAM

OGILVY & MATHER

BENTON & BOWLES

**Ira Tumpowsky,**  
vp - group  
spvr. for cable



General Foods (WTBS, CNN, USA)  
Ford Motor Co. (USA, CBS)  
Lincoln-Mercury Division (CNN, ESPN)  
Merrill Lynch (CNN, USA)  
Holiday Inn (CNN, USA)  
Johnson & Johnson (WTBS, CNN)  
Gulf Oil (WTBS)  
American Home Foods (USA)  
Kodak (CNN, WTBS, BET)  
CBS Records (MTV, USA)  
Clorox (WTBS)  
Time Inc. (CNN)  
Canada Dry (WTBS)  
Atari (USA, ESPN)

Estimated billings in cable:  
1982 - \$22 million - \$24 million  
1983 - \$28 million

**Ken Caffrey,**  
senior vp -  
executive dir.,  
media oper.



American Express (ESPN, USA, CNN)  
Avon (USA)  
Campbell Soup (ESPN)  
Columbia Pictures (MTV)  
Hershey (WTBS)  
Kimberly-Clark (ESPN)  
Owens-Corning (ESPN)  
General Foods (Hearst/ABC)  
Shell (CNN)  
Smith Barney (ESPN)  
TWA (ABC/Hearst, ESPN)

Estimated billings in cable:  
1982 - \$2.5 million  
1983 - \$3.5 million

**Phil Guarascio,**  
senior vp -  
director of  
media mgt.



Procter & Gamble (CNN, WTBS)  
General Foods (WTBS, CNN)  
Richardson-Vicks (USA, MTV)  
Pinkerton (WTBS)  
Morton-Thiokol (CNN)  
Texaco (CNN, WTBS)  
Cella (USA, MTV)  
Schlitz Malt Liquor (WTBS)  
Hardee's (Local, WTBS)  
Texas Commerce Bank (Local)  
Showtime (Various)

Estimated billings in cable:  
1982: \$7 million  
1982: \$10 million

**Hadassah Gerber,**  
senior vp -  
media info.,  
new  
technology



Coca-Cola (WTBS)  
Lufthansa (CNN)  
Nestle (CBN)  
NY Racing Assn.  
(Interconnects)  
Budget (ESPN, WTBS, CNN)  
Buick (SNC)  
Del Monte (ABC/Hearst, USA)  
GMC Truck (ESPN)  
Hilton (ESPN)  
Georgia-Pacific (CNN, ESPN)  
Texas Instruments (WTBS)  
Wells Fargo (Interconnects)

Estimated billings in cable:  
1982: \$3.2 million  
1983: \$4 million

**William Tennebruso,**  
senior vp -  
director of  
corp. media  
services



Chrysler Corp. (ESPN, CNN,  
CHN)  
Wine Spectrum (ARTS)  
Turtle Wax (WTBS)

Estimated billings in cable:  
1982: \$3.25 million  
1983: \$11 million

**Frank McDonald,**  
executive vp -  
dir. of media  
and mktg.  
services



AT&T Dial-it-sports (ESPN,  
USA, WTBS)  
C.B. Fleet (WTBS)  
Mitsubishi Motors (ESPN,  
MSG)  
Folgers Coffee (CBN, CNN,  
WTBS)  
Ricoh of America (CNN,  
WTBS)  
Blue Nun (ESPN, USA, CNN,  
WTBS)  
St. Regis Paper (USA)  
Sterling Drug (CBN, MTV)  
Quantas (Undetermined)  
Pendleton Mills (CNN, ESPN)

Estimated billings in cable:  
1982: \$1.6 million  
1983: \$2.5 million

**Arnie Semsky,**  
executive vp -  
director of  
media and  
programing  
services



American Cyanamid (MTV,  
ESPN, WTBS, CNN,  
Weather)  
Black & Decker (WTBS, CNN,  
USA, ESPN)  
Campbell Soup (WTBS,  
Weather, ESPN, USA,  
CNN, BET, Weather)  
Del Monte (MTV, USA)  
Firestone (ESPN, WTBS)  
Gillette (ESPN, WTBS, CNN)  
GE (BET, USA)  
Hormel (WTBS)  
Old Milwaukee (USA, WTBS)  
Pepsi Cola (USA, MTV,  
ESPN, WTBS, BET, SIN)  
Pillsbury (USA, WTBS, CBN)  
Wrigley (WTBS, CNN, BET,  
USA, MTV)

Estimated billings in cable:  
1982: \$10 million  
1983: \$15 million

**Alec Gerster,**  
executive vp -  
dir. of media,  
programing



American Council of Life  
Insurance (CNN)  
Block Drugs (WTBS, CNN)  
Borden (WTBS, ESPN)  
Canon (WTBS, CNN)  
Carter-Wallace (WTBS,  
ESPN, MTV, USA)  
Dept. of Defense (WTBS)  
Esmark (WTBS, CNN, ESPN)  
Kenner (WTBS, USA, SIN)  
Mennen (ESPN)  
Panasonic (MTV)  
Procter & Gamble (WTBS,  
CNN, SIN)  
Sentry Ins. (CNN)  
Shearson (CNN)  
STP (ESPN, WTBS)  
Timex (ESPN)  
Warner (movies) (ESPN,  
USA, MTV, CBS)

Estimated billings in cable:  
1982: \$4.5 million  
1983: \$5.3 million

**Ken Lane,**  
senior vp -  
director of  
media  
services



Allstate (WTBS, ESPN)  
Comm. Edison (Local)  
Heinz (WTBS)  
Kellogg (WTBS, ESPN, USA,  
MTV, CBS, SIN, BET)  
McDonald's (ESPN, USA,  
SIN)  
Nestle (WTBS, CBN)  
Oldsmobile (ESPN, CNN)  
Pillsbury (WTBS, BET,  
Weather)  
Procter & Gamble (CNN,  
WTBS, MTV)  
RCA (WTBS, Weather)  
Starkist (WTBS)  
Union Carbide (CNN, WTBS,  
Weather)  
Union Oil (Local)  
United Airlines (ESPN,  
Weather, Local)

Estimated billings in cable:  
1982: \$5.9 million  
1983: \$14 million

**ARTS:** Hearst/ABC Video Enter-  
prise Alpha Repertory Television  
Service, cultural programing.

**BET:** Black Entertainment Televi-  
sion, black oriented sports and  
features, with movies.

**CBS:** CBS Cable, cultural and in-  
formational programing.

**CHN:** Cable Health Network,  
health-related talk, features.

**CNN:** Cable News Network, Ted  
Turner's all-news channel.

**CNN II:** CNN's Headline News Ser-  
vice.

**Daytime:** Hearst/ABC Video Enter-  
prise, women's, talk, health,  
how-to's.

**ESPN:** Entertainment and Sports  
Programming Network, all  
sports.

**MSG:** Madison Square Garden,  
Sports.

**MSN:** Modern Satellite Network,  
educational consumer program-  
ing, including the Home Shop-  
ping Show.

**MTV:** Music TV, from Warner  
Amex Satellite Entertainment  
Corp., all music.

**SIN:** National Spanish Television  
Network, all Spanish program-  
ing.

**SPN:** Satellite Programing Network, talks shows, movies, how-to's.

**Telefrance:** French-language documentaries, movies.

**USA:** USA Cable Network, sports, women's, talk-shows, children's.

**Weather:** The Weather Channel, national weather reports.

**WOR:** RKO's WOR-TV, New York, superstation.

**WTBS:** Ted Turner's WTBS-TV, Atlanta, superstation.



**BRAND REPORT 84:**

# Image of tv dinners flip-flops to up-scale

**Trackable ad dollars behind frozen dinners, entrees and pizzas ran over \$41 million in 1981 and will prove-out well above that volume when all the figures are in for 1982. Growth factors include: single servings for growing number of single householders, low-calorie specials, frozen pizzas for the folks who like fast-foods at home.**

**T**v dinners, once considered declassé, have become chic. They've acquired an upscale image.

The past six years have been in a static sales period for the tv dinner market. But things are beginning to cook. December SAMI figures are up 16.6% for single dish entrees and the dinner division shows a 13.2% gain.

This turn of events is a surprise to no less than Gerry Herrick, president of

Foodways National, manufacturers of Weight Watchers. "It's amazing to me," he says, "that the tv dinner image has flipped around and is now doing so well."

Industry observers point to Lean Cuisine, Weight Watchers, Dinner Classics and Le Menu as products contributing to the new perception and increased sales.

Some frozen pizza manufacturers,



facing disappointing profit margins because of intense competition and widespread discounting, are expanding to broadbased entrees.

Trackable advertising expenditures for 1981 total \$41,088,086. Many of the brands measured are regional and have small advertising budgets. Brands with a wider range of distribution and larger advertising budgets have been broken down by media in the chart below.

For the first six months of 1982, media expenditures totalled \$24,036,100. Newspaper and spot radio figures are not available for 1982 as yet but indications are that budgets were up about 15% over 1981. More than half of the total media budget for 1981 was directed into spot television.

This is not surprising since there are a good number of regional brands. Also Lean Cuisine, Le Menu and Dinner Classics did not have national distribution in 1981. By the end of 1981, Lean Cuisine was available in

most of the country but Dinner Classics and Le Menu don't expect to be nationally distributed until sometime during 1983.

There are a number of factors responsible for the skyrocketing success of the new "gourmet" segment of the \$12 billion frozen food market. With population trends shifting, the once standard two-parent/two-child household is no longer the norm.

Household size is shrinking. Estimates by the Department of Commerce indicate that, by 1990, the average household will have 2.5 people. Within the smaller household, it is not at all unusual to find two people working. In 1980, 50% of women over the age of 18 were in the work force, according to the Department of Labor.

Those working women are not spending as much time preparing meals as they once were. They have other priorities for their time after work. Their purchases of convenience appliances such as food processors,

crook pots and microwaves oven indicate that they want to trim food preparation time. By 1985, according to sales estimates, microwave ovens should show 35% penetration in homes around the country.

Microwave directions are on the back of a number of frozen food dinners and entrees; an indication that manufacturers regard microwave owners as an important part of their market. The seven minutes from freezer to table is mighty attractive when you're in a hurry.

Demographics on frozen entrees and dinners aren't limited to just younger, single or smaller households. "There is a bi-modal demographic here," explains Dick Shea, director of marketing at Swanson's — a division of Campbell Soup. The two tiers are those people 18 to 34 in a two-income household or single-person household; with the second half of the tier comprised of people over 45 having a high disposable income. The most vocal

## Media Expenditures for Major Frozen Dinners/ Entrees/Pizza 1981

|                                                           | Media<br>Total | Consumer<br>Magazines | Newspapers | Net Tv    | Spot Tv   | Spot<br>Radio |
|-----------------------------------------------------------|----------------|-----------------------|------------|-----------|-----------|---------------|
| Armour Dinner Classics                                    | 414,900        | 142,900               |            |           | 272,000   |               |
| Campbells: Swanson's, Le Menu<br>and Pepperidge Farm Deli | 2,455,384      |                       | 326,320    | 843,300   | 1,073,100 | 212,664       |
| Celeste Frozen Pizza (Quaker)                             | 311,126        |                       | 193,758    |           | 113,000   | 4,368         |
| Chef Saluto (General Mills)                               | 2,178,382      |                       | 94,782     |           | 2,083,600 |               |
| Green Giant: (Entrees,<br>Boil'n Bag, Frozen dinners)     | 1,988,343      |                       | 388,890    |           | 1,463,300 | 136,153       |
| Jeno's                                                    | 2,230,453      |                       | 152,553    | 236,000   | 1,841,900 |               |
| Stouffer's Pizza, Lean Cuisine,<br>Red Labels             | 4,799,363      | 1,143,000             | 387,014    | 1,481,200 | 2,794,900 | 21,949        |
| Weight Watchers                                           | 3,423,775      | 1,810,200             | 150,075    |           | 1,463,500 |               |
| Tony's Frozen Pizza                                       | 1,159,668      |                       | 57,368     |           | 1,102,300 |               |
| Totino's                                                  | 3,036,538      |                       | 307,829    | 498,900   | 2,003,000 | 226,809       |

Sources: LNA RER, Media Records

boosters of Swanson's Le Menu line — based on letters sent to the company — are elderly gentlemen, who write like they'd been starving to death before Le Menu's introduction. Also, Armour's Dinner Classics enjoy a huge following in Florida.

Dubbed the "Lean Team," the women appeared on tv and radio talk shows and met with newspaper and local magazine editors to discuss the new product. This was a first for Stouffer's. Milt Miles, manager of new ventures for Stouffer's says: "It

Gittins observes. "We seem to be bucking the economic trend. Even though there is a recession on and people have less disposable income, they will buy quality. They want value for money spent."

Advertising schedules for Stouffer's



Stouffer's fits into your life  
as if it were made for it.

It was.

These are just  
some of more than  
60 Stouffer's Entrees,  
Crepes and Side Dishes.

Fit them into your life.

Set yourself free. With Stouffer's.

## Stouffer's

Lean Cuisine is a product for the time.

The introductory budget for the runaway 300-calorie entree was only \$1.5 million. But, less than a year after its launch, the product had eclipsed expectations; Stouffer's couldn't — and can't — keep up with orders.

Stouffer's wanted a larger demographic than just dieters for its Lean Cuisine line. So initial advertising included a scattered magazine schedule: *Better Homes and Gardens*, *Good Housekeeping*, *Reader's Digest* and *Redbook*. Television was bought in all dayparts to target against both working women and homemakers. Restrictions for television called for sidestepping programs found to be distasteful to Stouffer's. Bill Sprague, executive vp at Creamer; agency for Stouffer's, saw television schedules "migrating to news and upscale education programs."

Stouffer's promotional work for Lean Cuisine included a team of two women, an athlete and a nutritionist, who traveled to test markets to appear on local broadcast media.

was the first time we used a heavy public relations push."

Even the package design was different. For the first time in many years, Stouffer's departed from the traditional coral-colored packaging and hired a San Francisco design firm, Landor Associates, to devise the white packaging which Stouffer's hoped "would reflect the attitude the potential customer would have — one of eating lighter, less filling foods," reports Creamer's Sprague. Also the white package would help identify the product and keep it from getting lost in a sea of coral.

According to some industry mavens "that sea of coral" captures between 44 and 50% of the frozen food business. If New York City is any criterion, half of the frozen food facings are Stouffer's. The red package still sells at a higher rate than Lean Cuisine.

Spending on Lean Cuisine is no longer at ground floor budgeting. "We are now spending about \$6 million," explains Howard Gittins, a Creamer vp assigned to the Stouffer's entree account — or as he calls himself, "just one of the guys."

and Lean Cuisine are quite similar. "We have a basic media plan for net tv and the 50 top markets for spot. We'll be using more print than before because we have a higher advertising budget," says Gittins. Stouffer's, he notes, will repeat its gatefold in March using *Better Homes and Gardens*, *Ladies Home Journal*, *Bon Appetit* and *People*."

Although a heavy magazine schedule is used, Stouffer's doesn't coupon. We don't really feel it's necessary," explains Gittins. "Stouffer's doesn't see the point of couponing unless they're introducing a new product or are up against unusually stiff competition."

The pizza end of Stouffer's remains spicy, despite the problems plaguing other pizza manufacturers. "Stouffer's French Bread pizza line has been virtually unchallenged," Gittins says. "Except for local brands, there is very little competition."

However, Alan McDonald, former Stouffer president now with parent company Nestle, predicted in a speech recently: "Quality pizza brands will be ruined by short-term giveaway coupon

In the TAMPA  
BAY MARKET\*  
The Tampa Tribune  
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programs — a tough commentary."

McDonald's prediction may be a moot point because, according to an article in *Quick Frozen Foods*, trade paper for the industry, the premium pizza market peaked two years ago and now all the action is in price.

### Campbell's

Swanson marketing chief Shea puts great emphasis on an aging U.S. population as a reason for the success of gourmet frozen food entrees and dinners. Le Menu, with present distribution on the West Coast from Sacramento to Los Angeles and east to Phoenix, is already getting over 100 letters a week — 45% of them penned by elderly gentlemen waxing enthusiastic about the product. "Le Menu is running above sales projections and in some cases we're having trouble meeting the demand. We're scheduled for distribution in New York within two months," comments Shea.

The distribution and roll-out for Le Menu appears to be paralleling Armour's Dinner Classics. With the ad-

“  
With the advertising muscle of the new regime at Campbell's, it's conceivable that Le Menu will outspend all other premium products.  
”

vertising muscle of the new regime at Campbell's (doubling advertising budgets in the past two years), it's conceivable that Le Menu will outspend all other premium products.

Le Menu is not targeted as low calorie, even though the dinners contain less than 500 calories. It's positioned as a premium product. Even with the Swanson logo on the Le Menu package, consumers don't see it as a line extension for the regular Swanson tv dinners (which are targeted to the blue collar market.)

The target market for Le Menu is single and two-person households. Swanson's is buying spot tv in early news, primetime and fringe. Magazine schedules include women's magazines, *People* and *Newsweek*. Couponing is handled through Sunday papers.

Shea expects Le Menu to bring in

\$100 million in sales by 1984. "This is a growing category. Le Menu has revitalized our image by giving Swanson's a well-entrenched niche in the premium segment. We're sure it'll be successful even in New York, where restaurant food is so expensive you can't get much of anything for less than \$6.00. I think this will lead to a backlash against eating out."

Swanson's has resumed advertising on the regular tv and Hungry Man dinner lines. During July, network tv was scheduled; dayparts included prime, late night and daytime. Shea says Swanson's "hopes to increase frequency of use and bring the product to more top-of-mind awareness."

Targeting for tv dinners is blue collar, non-professional. Although the product hasn't been reformulated, Shea did say that quality improvements have been made. Swanson's return to advertising for regular tv dinners may be prompted by expectations of some positive rub-off from Le Menu.

### Action at Campbell's Pepperidge Farm

Although not considered to be strictly an entree, Pepperidge Farm's Deli pastry line sandwiches are now introducing three new varieties, bringing the line up to nine. They are rolling-out nationally and advertising



the line on network tv both in primetime and late night. Couponing will follow. Print advertising will be scheduled mainly for women's magazines. The gourmet Vegetables 'n Pastry is a cousin to the Deli line and is designed to appeal to consumers with gourmet preferences but limited time.

Campbell's beat out two other frozen food producers when it picked up Mrs. Paul's. Although frozen fish is fairly high priced and sales for it have been fairly flat, Campbell's sees fish as a growth category for them because of the promising demand from health-conscious consumers.



## Weight Watchers

Reformulated products, successful introductions and some rub-off from Lean Cuisine have been factors contributing to the 50% jump in volume for Weight Watchers in the past year.

Gerry Herrick, president of Foodways National, a division of H.J. Heinz, doesn't see an end to this continued success for some time because, he says, "with 67% of women either dieting or watching their weight, that adds up to continued growth in the field."

"The whole frozen food entree category has experienced tremendous success," added Herrick. "The situation has really turned around."

Weight Watchers is after a broad-based target — much the same as Lean Cuisine — but magazine scheduling for Weight Watchers is broader in scope. This year they are in 21 books: *Cosmopolitan*, *Essence*, *Reader's Digest* and *TV Guide*, just to name a few. Television scheduling taps late night fringe to catch the working woman and



daytime for the homemaker. On the NBC's *Tonight Show*, for example, Weight Watchers has been spotted running two ads within a half hour of one another.

The new Southern Fried Chicken variety went national in September 1982 and is now one of their top four best sellers. Print ads are designed differently for their five new Boil'n Bag items.

Although sweet frozen foods are down, Weight Watchers has injected a low-cal dessert into its line-up. "Our research indicates that the woman on a diet wants a dessert that is low in calories. Other frozen, low calorie



desserts have not worked out but we are sure that these will really go." Also added within the past year are two new Weight Watchers pizzas and three new fish items (that are now in test market.) Herrick didn't seem to think fish is risky even though the category's sales have been relatively stagnant. "It is nutritious, low in calories and appears three times a week on the Weight Watchers diet," he explains.

In all, 17 new items were introduced by Weight Watchers in the past year. Couponing is big with the line.

"We coupon both in and out of class, sometimes right in the store. We

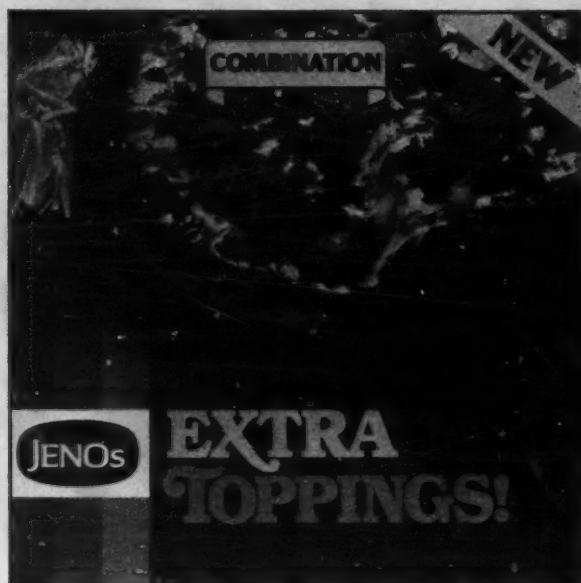
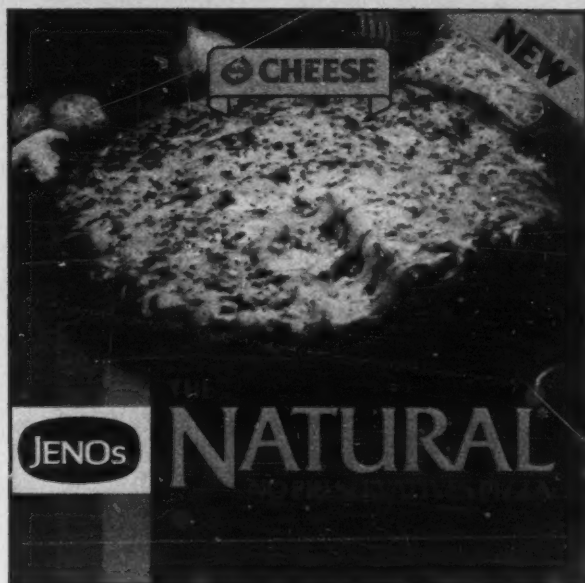
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also use newspaper inserts," says Herrick.

#### Jeno's

For the Duluth, Minnesota-based frozen pizza manufacturer the recent past has been peppered with lawsuits, coupon fights, price slashing and pizza sludge. But it has also been marked with acquisitions and line extensions.

In the past year, Jeno's started consolidating. They bought John's out of Chicago and Gino's from the West Coast. John's is a premium-priced pizza in spotty distribution in the mid-west and northeast. Why buy another pizza? "Well, we're like any company. We know that people like variety and another choice is important to them," explains Will Willis, Jeno's executive vp in charge of marketing and sales. "Right now we're testing John's to see if we should keep the price where it is or bring it down.

"When we bought John's, the Cresta Mexican line came along with the buy. Ethnic food is hot and Mexican is very popular right now. It has tremendous growth potential. Right now the line is in distribution from Northern California down to Southern California and over to Phoenix — or what we call the Golden L. This year we'll have seven entrees — entrees rather than dinners because they sell the best.

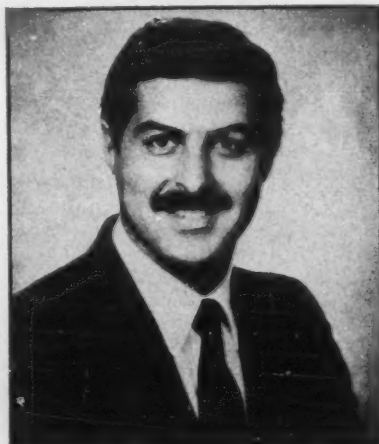
"Our other ethnic line is Italian," he adds. "We are testing new Italian entrees in Portland/Seattle, Denver,

Dallas and Houston."

Willis explains that the diversification is natural and necessary. Pizza is a commodity business; there isn't much profit or growth with all the different labels undercutting each other with coupons and two-for-one-sales.

An Italian entree line, he explains, is less price sensitive and rounds out their product line. Also, the company can use the same network of brokers and distributors. The line has been customized with a new package design so that all the products are easily identifiable.

Jeno's would also like a slice of the same french bread pizza market that Stouffer's has so handily gobbled-up. Says Willis: "We currently have a french bread pizza in test market for introduction sometime next year."



New product advertising will very much depend on the season and the environment, but we're in *Sunset* and *Southern Living* and will be using women's magazines as the product lines become national," says Willis.

In the first six months of 1982, according to LNA, Jeno's has used both net and spot tv. In 1981, Jeno's invested over half of its advertising budget in spot tv and dished-out the balance to net tv (\$200,000) and newspapers. Couponing at Jeno's is done with free-standing stuffers in opportunity or problem areas. It's using in-store couponing, cross-reference couponing and direct mail, as well.

Behind all of the new product introductions, line diversifications and acquisitions, says Willis, is Jeno Paulucci — the founder of the company. "Can you imagine what it's like to work with a guy who always shows-up early in the morning and stays late at night — often six days a week. He's a real shirtsleeves type of guy, a dynamo."

#### Armour's Dinner Classics

Tim Dorgan, vp-management representative at Bozell & Jacobs, agency for Dinner Classics, says the frozen food entree business can be understood by looking at what's happening in the economy. "This was a market that no

Will Willis, Jeno's exec. vp mkt. & sales.

one was marketing to," he says. "TV dinners had been flat. Frozen dinners and entrees merely reflect what's happening to incomes throughout the country — high end, low end."

Initially, Dinner Classics, which have been out for three years, were handled by Young & Rubicam. But Armour switched agencies for a new approach, according to Nick Rago, Armour vp-general manager of frozen food and the food service division.

Armour isn't a newcomer in the frozen food business. It's been selling icy ingestibles for 25 years — but on the institutional side servicing hospitals, schools etc. When research indicated that there was a market for a quality dinner, the company decided to get into that end of the market.

Notes Rago: "Consumers told us in taste panels, mall interviews and focus groups that they wanted more than just an entree. So we went for a three course dinner." Sales potentials run at \$1.9 billion from frozen food entrees and about a half billion from the dinners.

"The changing lifestyle of the American household told us that they could afford this product and, in fact, want it. People are buying time-saving small appliances. Consumers have come to depend on them more and more. So frozen food entrees and dinners that can go from the freezer to the microwave to the table in 5 to 7 minutes are products for that demographic.

"Most people operate under the theory that you get what you pay for," say Rago. "Quality is very important at Armour. We have our main plant in Fairmont, Minnesota. Our vegetables reconstitute better because they're grown in rich Minnesota soil in the Le Sueur Valley. Even the package has been designed carefully with a protective dome lid."

Advertising for Dinner Classics makes heavy use of spot tv — all day-parts because, says Dorgan, of the diversified nature of the demographic. Newspapers are scheduled with heavy couponing. National women's magazines will be scheduled once Dinner Classics are available nationally.

Although Dinner Classics isn't touted as a low calorie product, it can be included in a diet because the



calorie count is available on the back of the package, says Rago. "The dinners are substantial for the average American appetite. They satisfy, and half of dieting is just portion control," he notes.

### Totino's

Armour isn't the only company taking advantage of the increasing number of microwave ovens in the country.

Totino's recently introduced an individual-sized pizza slice that can go into microwaves. Ordinarily, microwaves aren't used very successfully for heating-up bakery goods because the appliance typically turns crust into something resembling soggy cardboard. But Totino's feels that they've gotten around that problem.

The new product was originally geared for convenience stores such as 7-11's and not larger grocery chains, explains Mark DeNaray, new business executive at Pillsbury, Totino's parent company. "But larger chains picked it up and sold it anyway. The microwave slice is now available in Minneapolis and Chicago.

A new package design was put together by R. Overlook Howe of St. Louis, a frequent package designer for Ralston Purina.

Although Jeno's is going after Stouffer's French Bread Pizza line, Totino's isn't. De Naray explained why: "That segment of the market is declining so there doesn't seem to be any reason to go after it." According to a July article in an industry trade magazine, a decline is predicted in frozen pizza consumption nationwide. Although Totino's has the top spot with a 27% share, consumers select from the low end of the market because of the recession.

When asked if Totino's will follow Jeno's lead and diversify their line, De Naray said: "I know that's the talk, but it's still being decided. One way or the other, something should happen within the next six months."

Totino's spends over half of its advertising budget on spot tv and has a budget for spot radio as well. Couponing is done through newspapers. Consumer magazines are used to support spot tv.

Kitty Dawson





**Ten million personal computermakers each spent more than \$1 million on media last year — one spent nearly \$20 million. But media isn't the only big story in this business.**

**I**t doesn't take a latter day Sherlock Holmes to figure out what's been happening in the personal computer business.

A boisterous free-for-all market battle has rapidly emerged, one which is without precedent in an industry that was never known for gentle competitive jousting and which has engulfed dozens of vendors large and small.

At stake: a pot of gold expected to swell to \$14 billion by 1985, a conservative estimate in light of the contention by makers and observers alike that the personal computer will revolutionize the home and workplace over the next few years.

One clue explaining the struggle was recently supplied by *Time*. In place of the prestigious and often controversial person of the year was a machine, the personal computer. The editorial board had decided that, in 1982, the personal computer had done more to affect mankind than had any single human being.

There will be those who question the appropriateness of the choice, but few will argue that the pc is changing the way people communicate and work —

least of all, those selling the phenomenon.

The growth figures unquestionably justify *Time's* proclamation that the pc has captured some of the country's fancy. Roughly 3.2 million units found their way to the home and workplace in 1982, according to Future Computing, a Richardson, Texas-based research firm. This represents \$4 billion in revenue for vendors, a figure that will balloon to \$7 billion this year. For a quick perspective on this explosive market: 900,000 pc's were shipped in 1981, and that was a quantum leap over 1980 shipments.

Where has this incredible bounty been harvested? Without a doubt, the home, where growth has quadrupled in a matter of months. Units shipped to the office have trotted along at a 65% growth rate.

Texas Instruments, whose 99/4A was languishing on dealers' shelves four years ago, sold 550,000 in 1982 versus 20,000 in 1981. Emboldened by this change in fortune, TI thinks it will sell over a million this year.

Though undeniably one of the most clear-cut success stories in the busi-

ness, TI's victory is not completely representative because of the \$100 rebate it offered on the models during the last part of 1982.

However, IBM's is. Big Blue entered the personal computer field in 1981 (it has yet to offer a computer for the home) and rapidly scooped up a third of the market. Tandy's TRS-80 and Apple still command leads but many wonder for how long. IBM sold 200,000 in '82 and could double that figure this year.

Numerous others could be cited for record gains last year — especially Commodore and Timex who together sold a total of more than 1.2 million pc's. But the fact is, no one is losing yet. The huge potential of the market has only recently been tapped and the vague outlines of many different markets are only beginning to come into focus. These outlines reveal vast — indeed fathomless — reservoirs of potential revenue for those brave and strong enough to enter the rough waters.

Broadly speaking, four markets are being harnessed.

Every home with a tv set is considered fair game for personal computers that retail under \$300. That market was 85 million strong in 1982 and is still growing.

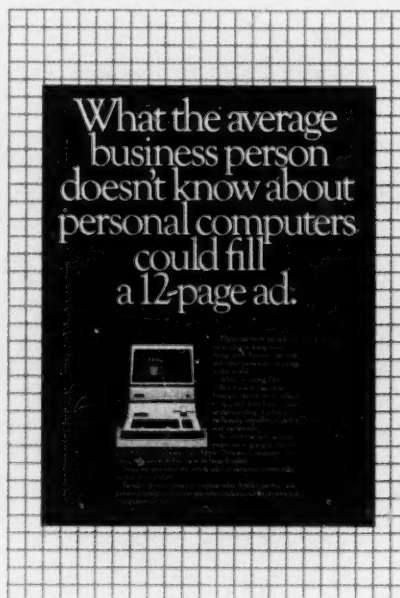
Five million small businesses in the country are being groomed by makers producing more powerful — and more expensive — machines. "Small" in this case means a company posting an-

nual revenues between \$500,000 and \$1 million.

Next, and most attractive to many, is the professional/managerial market composed of more than 15 million middle managers.

And, after those ranks are conquered, senior management is next on the dance line. The pc is billed as a necessity item for the middle manager, but marketers believe senior management has an innate prejudice against anything with a keyboard. The reason: typing, they believe, is the function of the secretary, not the boss.

To a lesser extent, the school market holds potential as well. Toddlers can certainly benefit from the learning experience just as much as the graduate



student — who could probably find a number of other applications, say proponents. But there's an obvious added benefit in selling computers to a school: if children learn on a model at school they'll likely ask to have the same one at home — that is, if the theory of brand loyalty holds up in this business. The TRS-80 Model III is so far the teacher's pet in the school market, which swallowed up 250,000 units last year.

Widely divergent ad copy themes are indicative of the wide diversity of how vendors approach their targets — but beyond the multiplicity of messages, general rules seem to be developing about media usage. For those with the heavy budgets, net tv has

quickly become almost indispensable.

The simple rule: tv spreads the awareness, and helps to melt some of the fear associated with the computer.

Magazines form the other important half of the formula: if television informs the viewer of the product's existence, then it's left to print to discuss how to use it. Apple has evolved as the master of this approach. Double gatefolds sport whimsical copy about the dozens of ways the pc can be used, whether for talking with animals or catching a thief. Expanding on this media idea, Apple inserted a booklet in *Fortune* and later in other business publications — explaining in greater detail how the pc can be used in the workplace. It was entitled: "What the average business person doesn't know about personal computers could fill a 12-page ad."

Apple's ad philosophy is coined by Paul Wiefels, manager of product advertising: "People don't fundamentally understand what computers are all about. While other advertisers are talking about 28K versus 48K, we attempt to educate, to show how the pc will make meaningful contributions to their lives."

While Apple has been taking the funny-informational route, others have different ideas:

- Commodore took direct aim at the video games during its recent pre-Christmas flight by arguing that its model VIC-20 could compute as well as play games, thus making its pur-



chase at Christmas more justifiable.

- Tandy/Radio Shack features Isaac Asimov marvelling at the wonders of the TRS-80 color computer, while monthly fliers to customers marvel at the ranges of accessories and cheap prices of the five TRS-80 models.

- Texas Instruments has incorporated an endearing, chummy message in its tv and print ads by employing Bill Cosby as spokesman.

- IBM's ("a tool for modern times") use of the Charlie Chaplin look-alike is intended to draw parallels with "Modern Times," in which Chaplin is swallowed alive by an insidious machine. Yet here, he and the pc are completely compatible.

- Wang is imploring managers — through the guise of Charlton Heston — to get in "the fast lane" and employ a personal computer.

- Osborne goes head to head with Apple and IBM on a cost basis, showing that its Model I, even with a range of software and hardware options, goes for half the price of the other products.

- Digital — alias "more personal, more computer" — has taken a variety of approaches, but generally centers on product quality and office capabilities.

- Atari, far and away the big spender in media dollars, initiated a new campaign designed to set it apart from the gaggle of new entrants in the pc field. Copy is designed to stress its "leadership" position in the business as well as its "innovativeness," important ingredients because the company lost its leadership position to frontrunners Timex, TI and Commodore in the home market.

- Timex displays ads which stress price and the wonder of the pc. The tagline: "the power is within your reach."

Total media expenditures for the category in 1981 were \$16,251,000, of which Atari and Apple contributed over 70%. But, for the first 9 months of 1982, spending blossomed to \$27 million. This, of course, doesn't include substantial holiday expenditures, the most notable being the \$17 million spent by Commodore in the 4th quarter alone. Magazines were the happy recipients of a nearly 100% increase in budgets from personal computers.

Winning the hearts, minds and

money of the home purchaser was the result of two factors converging: (1) the immediate sensation of the video game, and (2) steadily declining prices of all home computers.

One study from the marketing department of Texas Instruments shows that 27% of all 99/4A purchasers in 1981 owned some sort of video game, which suggests that the buyer is either frustrated with the limited software capacity of the video game or that he or she has become comfortable with computer technology — thanks to the primitive Pac Man ritual.

The message hasn't been lost on either Mattel or Coleco, both of whom

says a report from Future Computing.

Indeed Commodore's success in tapping the home market has galvanized other producers into cost-cutting moves as well as new product introductions. The company first saw gold in the market when its PET model saw meteoric gains. Next, the VIC-20, a more powerful and versatile machine stormed the marketplace after a heavy dosage of advertising. Over 600,000 were shipped in the U.S., making this product one of the hottest home computers in 1982. Its success was predicated on a simple head-to-head strategy with video games, a message overwhelmingly obvious in the \$17

#### PERSONAL COMPUTER MEDIA EXPENDITURES (JANUARY THROUGH SEPTEMBER, 1982)

|                   | Total   | Magazines | News supp | Spot tv | Net tv  | Net radio |
|-------------------|---------|-----------|-----------|---------|---------|-----------|
| Apple             | 3,450.2 | 3,110.3   |           | 87.1    |         | 232.0     |
| Commodore         | 650.9   | 650.9     |           |         |         |           |
| Digital           | 482.8   | 482.8     |           |         |         |           |
| IBM               | 3,620.4 | 3,307.0   | 313.4     |         |         |           |
| Osborne           | 1,069.3 | 954.3     |           | 115.0   |         |           |
| Sinclair          | 1,266.9 | 1,245.5   | 19.8      | 21.6    |         |           |
| Tandy (TRS-80)    | 2,027.6 | 662.3     |           | 2.9     | 1,372.6 |           |
| Texas Instruments | 3,183.8 |           |           | 3,183.8 |         |           |
| Timex             | 2,058.9 | 756.9     |           | 1,302.5 |         |           |
| Wang              | 918.0   | 720.7     |           | 197.3   | 720.7   |           |
| Warner (Atari)    | 7,706.4 | 1,306.0   |           | 5,819.2 | 660.9   |           |
| Xerox             | 274.0   | 274.0     |           |         |         |           |

• IBM/Jan - Sept. '82

will offer add-on modules that expand their video games into full-fledged computers. These products will come out sometime this Spring.

Atari 400/800 sales rose quickly on the video game's star and now the company is readying introduction of a more sophisticated product, one that will straddle the home and the business markets.

The new baby is the XL1200, which will have a memory capacity of 48K (that is, the ability to store 48 thousand bits of information.)

But the Atari introduction is partially a timed response to a new product from Commodore that incorporates a 64K memory — and is priced for the home market. This product, the Commodore 64, quickly racked up sales of 100,000 since its introduction last fall,

million pre-Christmas advertising barrage the company directed at consumers in 1982.

Explains product market manager Micheal Tomczyk: "We said, why buy a video game when you can buy a computer for the same price? We blasted them out of the water."

The Commodore 64, given birth last year, will double-whammy the market with a dual theme of price and performance in its 1983 campaign. The message in effect says: why buy a simple ordinary home computer when you can buy a more powerful one that can be used both at home and work?

Price is clearly the horse all marketers are riding in the home computer race. The Commodore 64 will be tagged at \$595, which has to cause some worry in Atari's camp, whose most re-

**BEST AVAILABLE COPY**



**How to test drive the IBM Personal Computer.**



When we get behind the keyboard of the IBM Personal Computer, we find a machine that is not only powerful, but also easy to use. It's a machine that can do almost anything you can think of. And it's a machine that can be used by almost anyone. So if you're looking for a machine that can do it all, the IBM Personal Computer is the one to get.

**What's under the hood?**

At the heart of the IBM Personal Computer is a powerful 286 microprocessor. This gives the machine the ability to handle a wide range of tasks, from word processing to database management. And it's all done in a way that's easy to learn and use. So you can get the most out of your machine, no matter what you're doing.

**Easy to learn, easy to use.**

Whether you're a beginner or an experienced user, the IBM Personal Computer is designed to be easy to learn and use. It has a simple, intuitive interface that makes it easy to get started. And it has a wide range of software options that can help you do just about anything you need to do. So you can get the most out of your machine, no matter what you're doing.

**The IBM Personal Computer. A tool for modern times.**

IBM

Many personal computers are becoming cheaper — although at the same time more powerful and dexterous.

"This market is just getting started because the price has been wrong," argues Tandy's director of financial planning, Garland Asher. "Office automation up till now has been the buy-word — but no business is going to spend \$20,000 for a machine. If the integrated office happens, it's got to be cheap."

Apple's much touted Lisa is cheap — relatively speaking. For about \$10,000 this personal computer promises to do just about everything under the sun — and maybe a little bit more. One feature: a main memory that can hold 512,000 bits of information and can expand to 1 million. Five years ago, a computer with a similar capacity would have cost several hundred thousand dollars.

Another feature: Lisa, which actually stands for "local integrated software architecture," will let the user perform numerous functions without the need for additional software.

But in reality, Apple's ambitions for Lisa may not broach those it has for Apple III, or the new products, MacIntosh and Apple IIe. The reason is high price, which puts the computer in a different class of products. "Lisa is in the high end of the market," says Egil Juliussen, chairman of Future Computing. "One of the leaders here is Fortune Systems."

The MacIntosh and Apple IIe are even cheaper than Lisa but offer the computing power necessary to compete in the professional market.

The company is also tightening up its core marketing efforts: its dealer network is being expanded as well as its direct selling force, two areas that IBM has long mastered, but are seeds of Apple's troubles.

For Apple, the moves are significant and imperative. Though possessor of a large dealer network (unlike IBM, Apple has no service center stores), it was plagued by a rash of sales by the retail outlets to wholesalers, who then sold the machines at discount. Apple stemmed the tide by refusing to service computers that were not sold through an authorized dealer. But the question — and importance — of dealer loyalty remains, as it does for all vendors.

The dealer connection has quickly assumed major importance in the marketing of personal computers — and many fear IBM may have an insurmountable lead in this area. The company has 36 of its own stores plus a network of 600 retailers. Like any store owner, the retail manager at a consumer electronics outlet gives shelf preference and advertising to the model that sells — and IBM is selling.

"IBM's approach is like the classic Procter & Gamble approach," says Lanny Houillion, vp and account manager at O&M/Houston, the agency for Texas Instruments. "If you can sell the consumer, you don't have to sell the

grocery store managers in addition."

Apple is realigning its strengths in other areas as well. Recently appointed executive vice president of marketing and sales was E. Floyd Kvamme, previously president of National Advanced Systems, a National Semiconductor subsidiary.

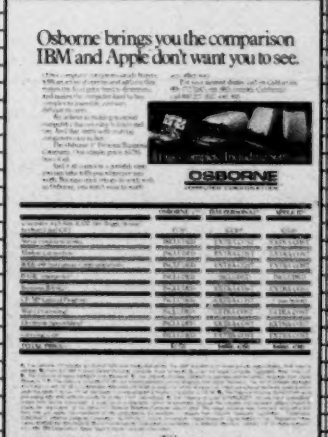
His role: to get Apple moving in the overseas market — a huge untapped one and, again, dominated by IBM; and to get them — especially Lisa — moving into the offices of America.

One way Apple's been attacking the professional market is through its National Accounts Program, started a couple of years ago and designed to service large customers. "But our primary reason for putting the program together," says Kvamme, "was in anticipation of products coming up — heavily in anticipation of the Lisa product."

The NAP caters to the so-called "management information systems" director, an individual who designs a company's computer system. "The MIS director is the guy that bought the mainframe," says Kvamme. "He's looked to in any firm as the guiding light. We'll approach him — and the user."

Though this involves more of a direct selling effort than anything else, consumer advertising does play a part as well. The reason: in many corporations, the user is allowed to make his or her own decision concerning which personal computer he wants to use, as

**Osborne brings you the comparison IBM and Apple don't want you to see.**



Osborne Computers

cent entrant, the XL1200, will go for just under a thousand.

As mentioned, Texas Instruments provided the first burst of adrenalin when a \$100 rebate was offered. But this act was upstaged by the timely entry last summer of Timex, which, through a joint agreement with Sinclair Research of the U.K., unveiled a handy little device that would sell under \$100, beating out TI by over \$100.

TI roared back with a campaign that touted its LOGO software, a sophisticated learning package that, among

a brand new product — dubbed the TS2000 — which has the same horse power as the upgradable TI machine, but sells for much less. Two different versions — with 16K or 48K capacity — will sell for \$150 and \$200 respectively.

### Tackling the office

The big news at Apple last month was Lisa — the introduction of a personal super computer whose name, heresay has it, was inspired by the daughter of chairman and company founder Steven Jobs. Yet for Jobs and

against firmly entrenched IBM. Tandy has been introducing a succession of newer and more dramatic products in an attempt to make some advances. The latest, the Model 16, incorporates a 128K memory base with two disk drives — a configuration that makes it virtually as powerful as any mainframe.

Texas Instruments covers the bases in both the low-end market and the very high priced micro-computer market. But it missed the boat into the office. Soon, however, its busy engineers will unveil an inexpensive but



other things, allows the child using it to draw on the computer. TI also touted its machine's superior computing power — an "upgradable" 16K machine with an impressive library of software. The little TS-1000 of Timex has only a 1K memory capability.

TI soothed user fears with the friendly Bill Cosby; Timex excited consumers with slick futuristic advertising — and of course the \$100 price tag.

Timex sold 600,000 of these devices in the first six months, by any yardstick a hugely successful opening act.

But the heated race between Timex and TI goes on. TI will soon be attacked at the upper end of the home market, where its expanded home computer sells for a heady \$400 to \$500 but offers a dizzying display of memory capability. (For \$200 above the list price of the basic package, the TI 99/4A can be upgraded to 48K.) At the recent Consumer Electronics Show in Las Vegas, Timex/Sinclair unveiled

the future of Apple, it's hoped that Lisa will turn out to be more than just fond paternal memories.

The company has been taking its hard knocks recently, both from analysts and in the marketplace. Not that sales of the popular Apple II have slipped — indeed, they've grown along with the rest of the marketplace. Apple's problem: IBM, and to a lesser extent, Digital Equipment Corporation. Both have popular personal computers as well, and both are meeting with wide acceptance at Fortune 1000 companies which have already installed their mainframes.

To continue collecting accolades which have been so generously lavished on the company since its founding in '77, Apple will have to make greater headway in the tough professional market.

Lisa may be the salvation. The powerful multi-talented machine may be just the medicine to break the tightening IBM grip.

Yet Apple is not alone in the battle

versatile machine designed to go head-to-head with the powerful IBM pc — and perhaps beyond. It will have communications capabilities that will let machines talk with one another, either cross-office or cross-country.

Dozens of other companies are scrambling for a toehold. Among them: Osborne, the California-based firm founded by industry gadfly Adam Osborne, is attempting to break open the professional market with a very low-cost portable computer. Olivetti is cashing in on the expertise of its new owner, Docutet, to market a product strictly designed for the financial services-type business. Wang, which recently shipped the first 500 of its new personal computer, plans to sell it as part of the "office of the future."

Why the mad dash to market? As noted, personal computer companies hope to make an impression before IBM and DEC make significant gains. But, like the home computer, this market has been revved-up by a convergence of both price and technology.

long as the machine fits within the overall guidelines set by the MIS director.

### Big Blue

Will IBM be number one in personal computers in 1984? Or, will IBM be selling a home computer by that time?

The two favorite questions asked by IBM watchers can probably be answered in the affirmative, which is why this company is the most talked about and most feared in the personal computer arena.

Even though the business is young, IBM already has some significant advantages:

- Its presence and image in corporate America is ubiquitous. Says Charles Johnson, group director of computer systems for Wang: "You have the typical problems in marketing against IBM. They've got the numbers and the image. IBM sells on their image. In the case of Wang, you have to sell yourself first; then the product second."

- Hundreds of software writers are creating programs compatible with the IBM pc on the assumption that it will be the dominant model in the next few years. IBM markets only 39 of its own titles; nearly 1,200 are produced by outside programmers. A simple marketing rule of thumb in the computer business says that the more programs the computer can use, the more desirable it is to a buyer.

- IBM has an extensive network of dealers, but also has a handful of company-owned stores. Locations of these

stores are important: though many are naturally situated in the largest markets, some are in small communities as well. IBM wants to make some headway in the burgeoning farmer/rancher market for personal computers.

- IBM already has "a selling presence" in many large companies. Because so many IBM mainframes are already installed in companies, IBM's sales force has a well-established relationship with potential customers for the pc.

IBM recently took another step to pump-up its marketing prowess when it penned an agreement with Intel which will give the computer manufacturer 12% ownership of the major semiconductor chip maker. This presents the possibility that IBM, by controlling costs in the highly volatile chip business, will ultimately make cheaper computers. Only TI, among all domestic pc companies, currently enjoys this competitive advantage. TI is the largest producer of chips in the world.

Adding the topping to this already primed-for-success marketing mixture, the company can fund a large advertising program. Dollar for dollar, at the moment, IBM is spending a little less than Apple, which is the industry leader in measured expenses in the professional pc market. Tandy's ad program bills over \$200 million, though much of this is funneled into its monthly flier program which touts all of Radio Shack's products.

"The focus of our advertising program," explains ad manager for the

IBM pc, Dave McGovern," is really to let people know that we have a product, a personal computer. And to let people know what it will do for them. Basically, we're trying to build awareness and take away some of the fear." The ad copy in magazines tells people where they "can see, try, and buy one," by listing dealers in their particular area. Newspaper copy likewise lists dealers; however the company does not offer co-op to its dealers.

Tv forms the backbone of this program: a 65/35% split between spot and network is used to deliver a primarily male, 25-54 audience. Thus programming tends towards the predictable: sports, news and special events. (IBM took out semi-sponsorship on CBS's recent *Blue & Gray* special. Likewise, it will sponsor a significant portion of ABC's *Winds of War*, which ran this month).

The program's print schedule again reveals little surprise — the major newsweeklies are used as are a number of important computer books, including *Byte*, and *Popular Computing*.

However, a unique media vehicle — and no doubt one that makes competitors green with envy — is a list of magazines that are devoted exclusively to the IBM personal computer, for use by owners of the machines and their software makers.

These include: *P.C. Computer*, with circulation of 75,000, *Personal Computer Age*, *Reference*, *P.C. World*, and *Softtalk IBM*.

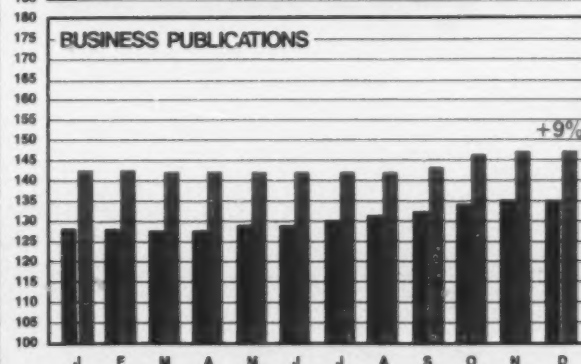
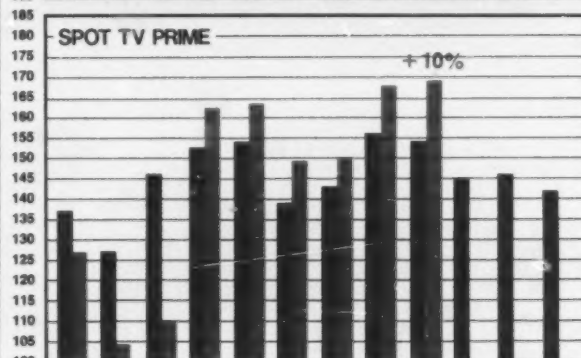
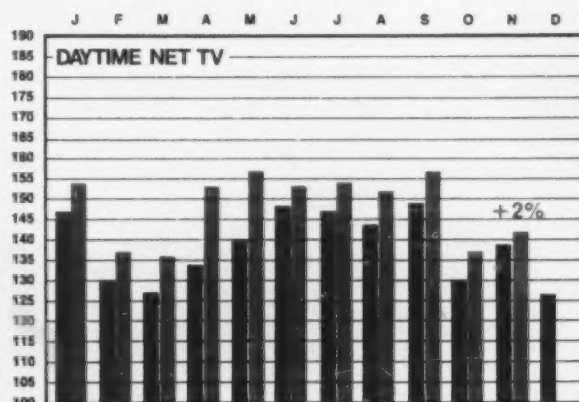
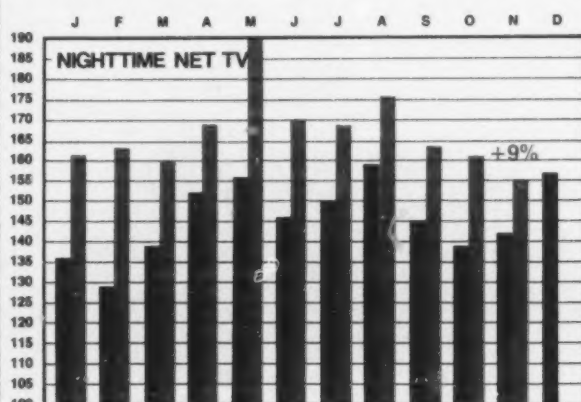
Verne Gay





# MEDIA COST INDEX

Black bars index for 1981; red bars 1982; base year 1977



Updates on last issue include new data on nighttime net tv, daytime net tv, business publications, net radio and consumer magazines. Also a few bits of information on January 1983. The estimate is in from business publications in January 1983, a jump to index 153 — 8% over January 1982. And in national supps, the estimate for January 1983 is a rise to index 180 — 10% over January 1982.

In net tv, nighttime continues to command much larger price rises than daytime. Most recent data is for November 1982 compared to the same month in the year previous. Nighttime costs are up 9%, whereas daytime costs are only up 2%. This is continuation of mid-1982 trend.

In business publications, the price hikes tend to occur at year-end and apply all year. For 1983, the cost rise in this medium appears to be plus 8-9%.

In national supps, a similar situation appears to be the case, up 10% for the year 1982 to be followed by an additional 10% rise in 1983.

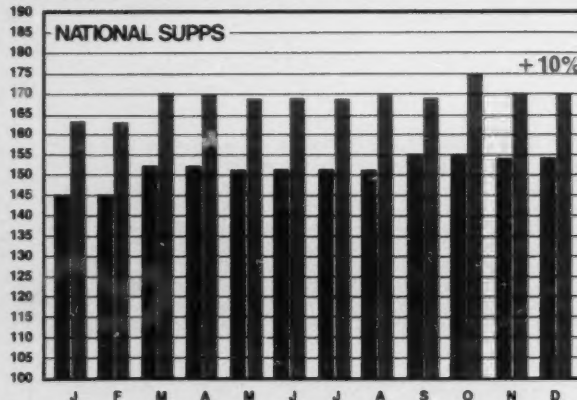
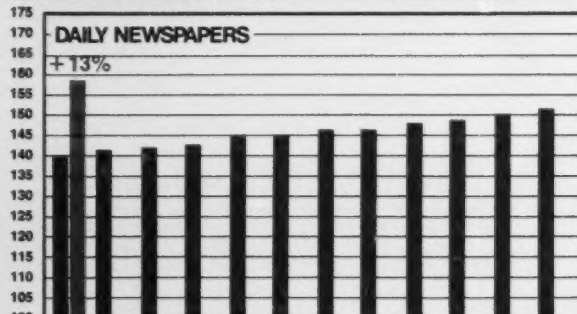
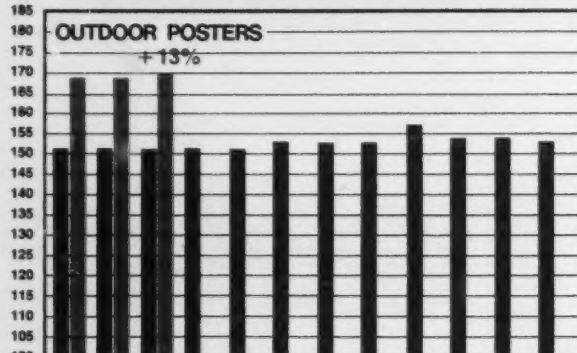
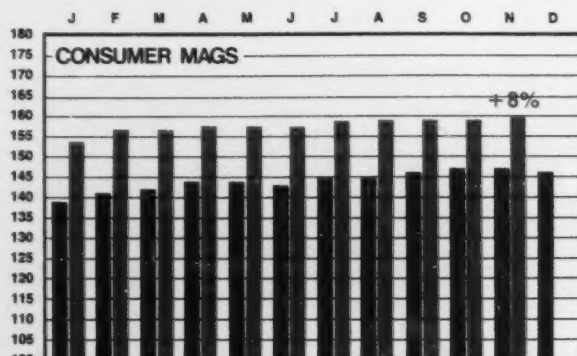
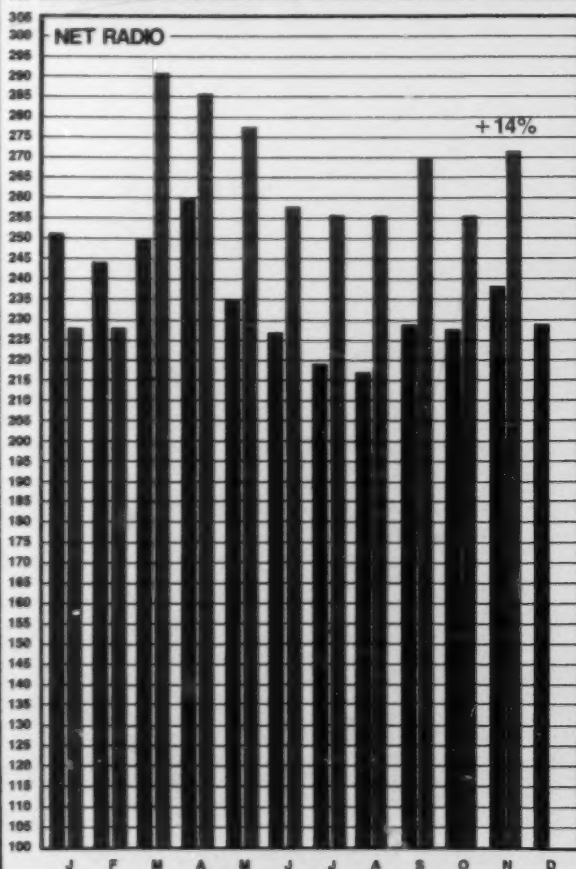
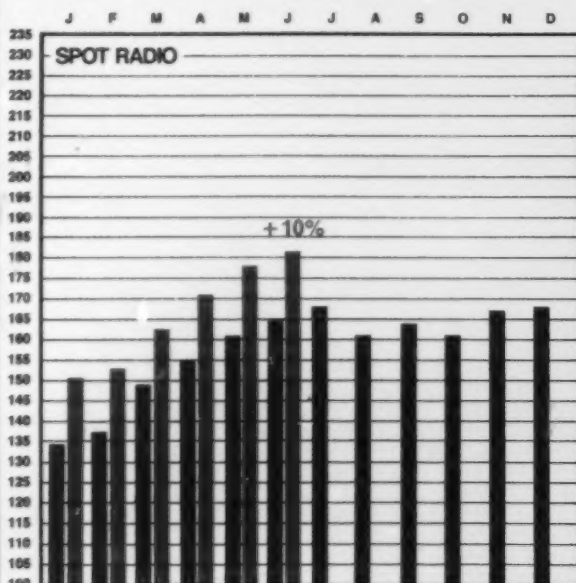
Net radio continues to show strength, with prices 14% higher in November 1982 vs. November 1981.

In consumer magazines, we have a similar situation, but with a more moderate rise of 7% for November 1982 compared to November 1981.

The Media Cost Index reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Sources: Nighttime Network TV — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. Daytime Network TV — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. Network Radio — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. Spot radio estimates are based on SRDS cost of one minute on one station per market in the top 50 RAD markets. Consumer magazine estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue, as reported by MPA. National Supplements estimates based on reported SRDS cost of page, 4-color for three national supps. Daily Newspaper estimates based on Newspaper Advertising Bureau report of SRDS costs per page line of a stratified sample of 155 newspapers. Business Publication estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. Outdoor Posters based on estimates prepared by F.R. Cawli & Assoc. HOW TO READ: Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1981; red bars 1982; base year 1977



## SCHEDULING GUIDE TO 1983 AD READERSHIP STUDIES PART 2

# Late listings up total to 496

With this list of corrections and additions, Bruce S. Childers, senior vp-marketing services, Meldrum and Fewsmith, Inc. wraps up his comprehensive listing of readership study schedules, by publications. The first part of the list was carried in *Decisions'* January issue.

As a result of a late flurry of additional ad readership studies being scheduled for 1983, it appears that the number of publications offering studies and the number of total studies available for 1983 will be equal to or even possibly exceed the number available in 1982.

Last month in the January issue of *Decisions*, we noted that the preliminary count of studies scheduled for 1983 was running 19% behind the number scheduled at the same time for 1982 (studies scheduled as of 11-15-81 versus 11-15-82). We also noted that

the number of publications offering ad readership studies was trailing the 1982 level by 10%. But things have sure changed since then (see accompanying table).

Based on a count of the publications and study listings published last month and the additions to the list included at the end of this article, we find that there has been a substantial turnaround. In fact, *late additions* of ad readership schedules have exceeded those of previous years by over two to one.

Since last month, 86 publications have announced schedules of ad readership studies to be conducted in 1983 while only three publications have cancelled their previously announced schedules. In addition, another 14 publications plan to have studies conducted but did not have confirmed study dates available by our cut-off date of January 12, 1983. These additional publications will bring the number of publications offering studies for 1983 up to 496, which is only 3% below the actual

### Number of studies 1980-1983

| Publication class         | 1980         |                   | 1981         |                   | 1982         |                   | 1983         |                   |
|---------------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|
|                           | Publications | Number of studies | Publications | Number of studies | Publications | Number of studies | Publications | Number of studies |
| Consumer                  | 59           | 332               | 65           | 336               | 59           | 276               | 50           | 235               |
| General business and news | 23           | 311               | 26           | 324               | 23           | 279               | 26           | 266               |
| Specialized business      | 303          | 1,084             | 320          | 1,213             | 307          | 1,076             | 309          | 1,077             |
| Health care               | 44           | 155               | 56           | 165               | 61           | 181               | 57           | 177               |
| Farm                      | 26           | 31                | 30           | 38                | 33           | 46                | 33           | 46                |
| Canadian                  | 15           | 26                | 32           | 60                | 29           | 69                | 21           | 43                |
| <b>Totals:</b>            | <b>470</b>   | <b>1,939</b>      | <b>529</b>   | <b>2,136</b>      | <b>511</b>   | <b>1,927</b>      | <b>496</b>   | <b>1,838</b>      |

Source: Meldrum & Fewsmith, January 14, 1983



number offering studies in 1982. If we were to add those 14 publications who say they will announce study schedules, our 1983 count will equal the actual count for 1982 (511 actual in 1982 versus 510 for 1983).

As for individual studies available for 1983, the preliminary count as of 11-15-82 has been increased by 341 studies. The listing of studies at the end of this article shows that 364 individual studies have been added and 23

have been cancelled since the January list was developed. As a result of these late additions, the scheduled studies confirmed thus far are only 4.6% behind the actual number of studies conducted in 1982. With the addition of the 14 publications who have not yet announced firm study dates and a number of others who always add studies during the year, we would not be surprised if the total for 1983 matches or even exceeds 1982.

The listing that follows shows corrections, revisions and additions to the listing of schedules which appeared in the January issue of *Decisions*. As in the past, we show the new information for only those publications and report dates where we have completed confirmation from both the publications and the readership service that the reports have been contracted. The cut-off date for this listing was January 14, 1983.

## ADDITIONAL 1983 READERSHIP STUDY DATES

### Specialized Business Publications

*American City & County* — Ad-Q: March, July, November  
*American Machinist* — Advertising Performance: March, June, November  
*Appliance Manufacturer* — Cahners: January, February, May, July, September, October  
*Audio Times* — Ad-Q: May, December  
*Automotive Marketing* — Ad-Chart: March, September  
*Aviation Week & Space Technology* — Harvey: January 4, February 15, April 12, April 26, August 9, September 20, October 11  
*Bank Systems & Equipment* — Ad-Q: April  
*Beverage Industry* — Readex Red Sticker: March 25, June 24, September 23  
*Billboard* — Ad Sell: February  
*Brick & Clay Record* — Cahners: March, June, August, November  
*Building Design & Construction* — Cahners: February, March, April, May, June, July, August, September, October, November, December  
*Building Supply News* — Cahners: February, April, May, September  
*Business Computer Systems* — Cahners: February, April, June  
*Candy Industry* — Ad-Q: March, September  
*Catalog Showroom Business* — Ad-Q: March  
*Ceramic Industry* — Cahners: February, June, August, November  
*Construction Equipment/Maintenance* — Starch: March, May, July, September  
*Construction Specifier* — Ad-Q: March, July, November  
*Contract* — Ad-Q: August  
*Designfax* — Hagen-MMS: January, April, August  
*Edn* — Cahners: January 6, February 17, March 17, April 14, May 12, June 23, August 18, September 15, October 13, November 24, December 15  
*Electronics* — Ad-Q: March  
*Electronic Business* — Cahners: January through December, plus May 1  
*Facilities Design & Management* — Ad-Q: March

*Geyer's Dealer Topics* — Ad Call: February  
*Giftware Business* — Ad-Q: October  
*Hospitality (Restaurant)* — Starch: March, May, June, September, November  
*Independent Agent* — Harvey: January, July  
*Industrial Marketing* — Ad Chart: TBA  
*Kitchen & Bath Business* — Ad-Q: March, October  
*Material Handling Engineering* — Ad-Q: January, May, June, July, August, October  
*Metal Progress* — Ad-Q: January, March, April, August, September, October  
*Meeting News* — Ad-Q: July  
*Merchandising* — Ad-Q: May, September, November  
*Mining Engineering* — Readex: September  
*Modern Materials Handling* — Cahners: January 6, January 20, February 7, March 21, April 6, June 6, September 6, September 20, November 7  
*Motor/Age* — Ad Chart: March, June  
*Multi-Housing* — Ad-Q: April, July  
*National Jeweler* — Ad-Q: June 16, November 1  
*Nation's Restaurant News* — Harvey: TBA  
*Ocean Industry* — Readex Rating: March, May, December  
*Ocean Industry-Europe* — Readex Rating: February  
*Office Administration & Automation* — Fosdick: January, April, July  
*Offshore* — Harvey: March, June 5, September, December  
*Paper Film & Foil Converter* — Ad Sell: April  
*Premium/Incentive Business* — Ad-Q: March  
*Production's Manufacturing Planbook* — Harvey: January, April, July, October  
*Railway Track & Structures* — Simmons: March, September  
*Railway Age* — Simmons: January, March, May, July, September, November  
*Restaurants and Institutions Magazine* — Starch: January 1, March 15, July 15, December 1  
*Savings & Loan News* — Harvey: TBA  
*Security Distributing & Marketing* — Cahners: February, May, September  
*Security World* — Cahners: February, May, September  
*Sporting Goods Business* — Ad-Q: April  
*33 Metal Producing* — Harvey: February, May  
*Voced* — Ad-Q: March  
*Video Business* — Ad-Q: May

### Consumer Magazines

*Black Enterprise* — Starch: TBA  
*Boston Magazine* — Starch: TBA  
*Family Weekly* — Starch: TBA  
*Essence* — Starch: May, August  
*Family Circle* — Starch: TBA  
*Golf Magazine* — Starch: January, June  
*Homeowners How To* — Starch: March/April, November/December  
*Ladies' Home Journal* — Starch: TBA  
*Mechanix Illustrated* — Starch: April, May, November  
*National Geographic Magazine* — Starch: TBA  
*The New Yorker* — Starch: TBA  
*New York Times Magazine-Sophisticated Traveler Section* — Starch: March 13  
*Outdoor Life* — Harvey: June/October  
*Parade* — Starch: January 2, January 16, January 30, February 13, February 27, March 20, March 27, March 30, April 17, May 1, May 15, May 22, June 12, June 26, July 17, July 31, August 14, August 28, September 18, September 25, October 9, October 16, October 30, November 13, November 27, December 11  
*Philadelphia Magazine* — Starch: TBA  
*Popular Science* — Starch: April, May, October  
*Seventeen* — Starch: January, March, April, August, October, December  
*Ski* — Starch: January, September, November  
*Stereo Review* — Starch: TBA  
*Today's Office* — Starch: June  
*True Story* — Starch: February, April, June, September, October, November, December  
*TV Guide* — Starch: TBA  
*Woman's Day* — Starch: January 11, February 8, March 8, April 5, April 26, May 17, June 7, July 5, August 2, September 1, September 13, October 4, October 25, November 15, December 13  
*Yachting* — Starch: January

## General Business, Management and News Publications

**Business Week (Industrial)** — Starch: January 24, February 21, March 21, April 18, May 16, June 13, July 11, August 8, September 5, October 3, October 31, November 28, December 26

**Business Week (National)** — Starch: January 3, January 10, January 17, January 24, January 31, February 7, February 14, February 21, February 28, March 7, March 14, March 21, March 28, April 4, April 11, April 18, April 25, May 2, May 9, May 16, May 23, May 30, June 6, June 13, June 20, June 27, July 4, July 11, July 18, July 25, August 1, August 8, August 15, August 22, August 29, September 5, September 12, September 19, September 25, October 3, October 10, October 17, October 24, October 31, November 7, November 14, November 21, November 28, December 5, December 12, December 19, December 26

**Fortune** — Change Starch study dates to Harvey; change Harvey study dates to Starch

**Inc.** — Harvey: January, May, August, November

**Oregon Business - AD/LAB** — TBA  
**U.S. News & World Report (Blue Chip Demo)** — Starch: May 9, June 6, November 21

**U.S. News & World Report (million market edition)** — Starch: April 18, October 17  
**U.S. News & World Report (National Edition)** — Starch: February 21, April 18, May 9, June 6, October 17, November 7, November 21

## Health Care Publications

**Computers in Healthcare** — Readex: June  
**Health Care Systems** — Ad-Q: May, November

**Laboratory Management** — Ad-Q: February, June, August, November  
**Nursing '83** — Harvey: February, May, August, November

## Canadian Publications

**Canadian Hotel & Restaurant** — Starch: TBA

**Chatelaine/Chatelaine** — Starch: May, September, November

**Engineering & Contract Record** — Starch: March, May

**Flare** — Starch: May

**Health Care** — Starch: February  
**Perspectives** — Starch: TBA

**Plant Management & Engineering** — Starch: TBA

**Travel Times-Vacation Canada Issue** — Starch: March

**TV Guide** — Starch: March 19

**Quest** — Starch: TBA

# CORRECTIONS TO THE JANUARY 1983 LISTINGS

## Specialized Business Publications

**ABA Banking Journal** — Delete Harvey: November

**Administrative Management** — Delete  
**Architectural Record** — Delete Mid-August and Mid-October

**Automotive Engineering** — Delete October  
**Commercial Car Journal** — Change name to Commercial Carrier Journal

**Datamation** — Add March to Ad-Q Study  
**Drilling, the Wellsite Publication** — Change name to Drilling, The Wellsite Publication  
**Independent Auto** — Delete

**Instruments and Control Systems** — Change study name to Ad Chart Ad Action  
**Insulation Circuits** — Delete

**Iron Age** — Delete January 3, May 2 and September 5

**National Home Center News** — Delete June 18 and October 10

**Mini-Micro Systems** — Delete October; add August

**New Equipment Digest** — Change study name to Hagen/MMS

**Package Printing** — Delete February  
**Photonics Spectra** — Delete February and December

**Word Processing Systems** — Delete  
**Fortune** — Change Starch study dates to Harvey; change Harvey study dates to Starch

## Health Care Publications

**Modern Healthcare** — Delete June; add July  
**Postgraduate Medicine** — Delete January, April, July, October; add February, May, August, November

## Canadian Publications

**Canadian Doctor** — Add April, August and December

**Canadian Living** — Add March, October; Delete November

**Homemaker's Magazine/Madame Au Foyer** — Delete April, September, November; Add January/February

## NEW IN MEDIA (from 53)

### Knapp adds two annuals

Knapp Communications Corp. is spinning off its magazines, *Architectural Digest* and *Bon Appetit*, into annual specials.

The company's first two specials both scheduled for newsstand sales in fall 1983, are *Architectural Digest: The 1984 Art and Antiques Annual's* and for *Bon Appetit: Holiday Entertaining*.

The 196-page *Architectural Digest* will be a compendium of art and antiques from international galleries, including investment information. The *Bon Appetit* special will concentrate on favorite Christmas and Thanksgiving recipes with an emphasis on holiday entertaining.

### Reaping rewards from switch to mornings

The switch from afternoon to total morning circulation at the *Oakland Tribune* is paying off with increased circulation exceeding the total circulation of the *Tribune* and morning paper it consolidated with, *Eastbay Today* in that market.

The *Tribune's* marketing director, James Rowley, points to several reasons for the circulation climb.

He says the product has improved now that the publication has only one cycle. And he credits a marketing drive, developed with the aid of Cunningham & Walsh, to informing the public about the consolidation. Television, radio and transit advertisements were used in addition to a direct mail campaign.

Readership loyalty also played a big part. 97% of afternoon subscribers made the switch to the morning issue when the time came.

One of the problems of the switch to morning circulation - loss of newspaper boys to deliver the product - was overcome by showing the carriers the advantages of a morning route - more time for homework and extra-curricular activities. The newspaper was able to retain 70% of its deliverers.

# Decisions

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ripped off?

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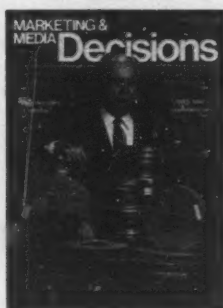
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why tv rule  
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CDIM 0041189 N S BR  
JOSEPH MCNALLY  
CONGRESSIONAL INF SVC  
4520 EAST-WEST HWY #800  
WASHINGTON DC 20014  
DIR

BEST AVAILABLE COPY





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MARCH 1983, Vol. 18, No. 3

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In cover photo, videotape was supplied by Today Video, Inc.,  
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by Mel Dolinkey

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# FUTURES

## Media leaders would rather read newspapers

What Americans do with their leisure time is the subject of a study sponsored by United Media Enterprises, and it finds family companionship is the most popular use of that time. In addition to watching television and reading newspapers, the study finds that people also manage to have sexual activities during their leisure time.

Reading a newspaper and watching television are the most popular daily leisure-time activities in America.

Television is not a disruptive force in American families and may help bring families together.

The amount of responsibility individuals have for other family members is an accurate predictor of how much leisure time Americans have.

Regardless of the number of leisure

hours available, seven out of 10 Americans feel rushed, at least sometimes.

Senior citizens report having 43 leisure hours per week; Teenagers, singles and childless couples report 37 to 41 hours; parents with children who no longer live at home report having 31 hours of free time per week; single parents 25 hours; parents in traditional families with only the husband employed, 24 hours, and dual career parents report 23 leisure hours a week.

But while television viewing comes up as the top leisure time activity for the general populace, media leaders report newspaper reading first and tv viewing second. They also read more magazines than the general populace.

For those who were willing to discuss their sexual activities, 54% said they engage in sexual activities at least once a week. One out of 10 said they

engage in such activities daily or almost every day. At the other extreme, two out of 10 said they never engage in sexual activities. Seventeen percent of those interviewed refused to discuss the subject.

## The middle generation feels frustration

An accelerating dissatisfaction with the economic situation is most on the minds of middle generation Americans, according to a Soundings report from Doyle Dane Bernbach.

The study identifies the middle generation consumer's accelerating dissatisfaction with his economic situation, the feeling of "sliding down the economic scale at a faster rate than during the previous two years."

But it provides opportunities for marketers, the DDB report contends. A greater interest in repairing or redecorating one's present home has emerged. Companies that could benefit from current conditions and feelings include those that:

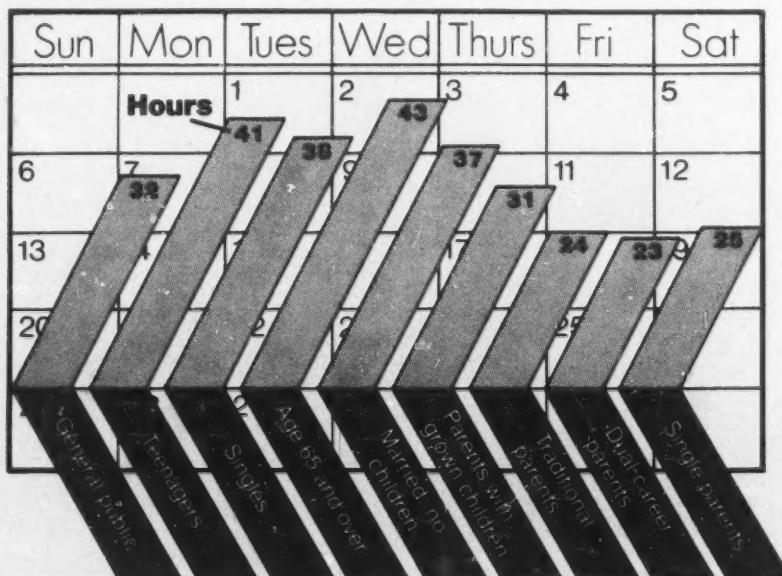
- Contribute to and form a part of the home environment such as home electronics and furnishings.
- Permit integration of the home and outside services such as banking from home, electronic shopping from home, pickup and delivery.

The report also found that the strong home centered family orientation noted in recent years is definitely continuing, as witnessed at the retail level. While sales continued to be sluggish through the fall and early winter, "at home" items such as television, videocassette recorders and games, and select appliances showed some gains.

Also pinpointed is a greater need felt by many for greater social and emotional support, from products,

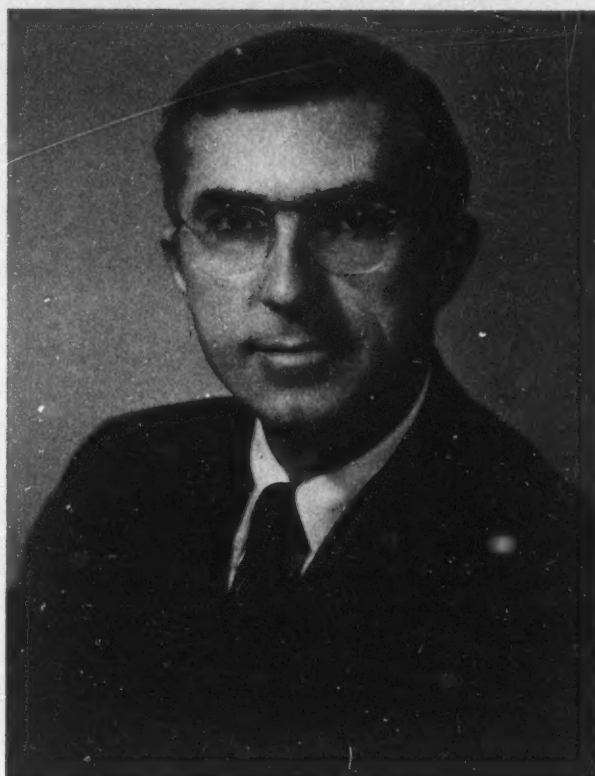
Continued on page 164

## Hours Available for Leisure (per week)



Source: The United Media Enterprises Report on Leisure in America.

**SPECIAL REPORT  
BY THURMAN PIERCE,  
VP-U.S. MANAGER,  
PRINT MEDIA,  
J. WALTER THOMPSON**



## **New values in print**

Thurm Pierce is fed up with listening to the doomsayers' comments about consumer magazines and newspapers. As he points out, they have never been healthier — and this during a recession. The real question to ask about print media is: How valuable are they *as advertising media*. Here's his detailed assessment and look-ahead at print.



We see more and more headlines on mergers of morning and evening editions of newspapers, changes of evening to morning and of a few outright closings.

We're overwhelmed almost by the flood of new magazines, changes at old ones — and the prophets who forecast their early demise or decline.

This era of change has left some in the busy advertising community with an impression of confusion, gloom and even doom re. print media.

Nothing could be further from the truth.

Neither confusion nor doom should reign. Newspapers are playing out a scenario based on research and reason. And the vitality in magazine publishing is hard to match in any industry.

The doomsayers cite no growth in numbers of newspapers, consolidations, other changes and ask: "Why are big, downtown daily newspapers on the decline?" They also point to the competition offered to certain magazines by new forms of tv.

But the doomsayers are asking wrong questions.

The right question is: How do all these changes affect print media values to advertisers? Are either daily newspapers or magazines declining in value as advertising media?

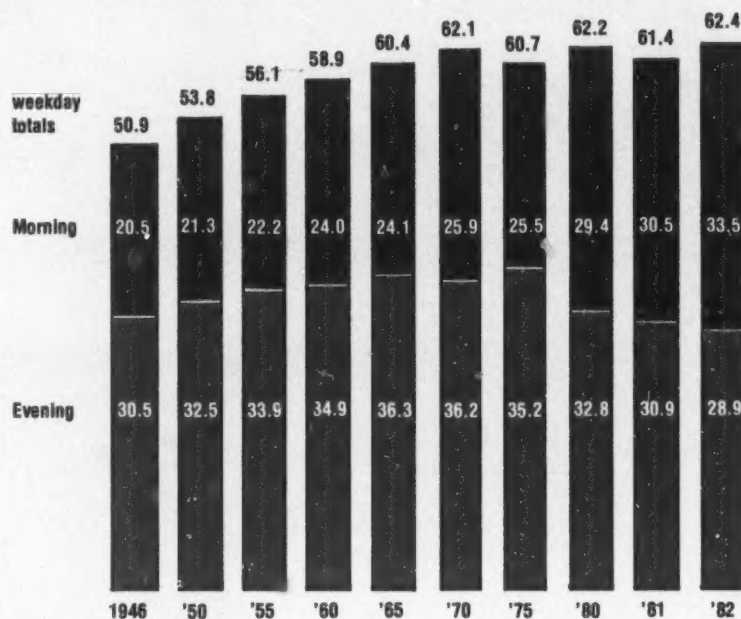
The answer is a big NO. Print, like other media, goes through cycles that lead to growth in value to the advertiser. And we believe it's worthwhile to explain how and why.

### Magazines and the Doomsayers

The *Saturday Evening Post* ceased publishing as a bi-weekly in 1969, *Look* as a bi-weekly in 1971 and *Life* as a weekly in 1972 — a combined one-issue circulation loss of 16 million and — at the time taken as signs of gloom for Time, Inc., the Curtis Publishing Company and many of their magazine competitors.

Doomsayers sighted the closings as harbingers of decline at consumer magazines in general. Gross per-issue ABC audited circulation for all consumer magazines declined 1.7 million in 1971. "Magazines," said the critics, "will never be the same." And, on the whole they never were, but not in the way critics predicted.

### Newspaper weekday circulation (in millions)



Source: Newspaper Adv. Bureau

Decline was just a sign of transition — a phase preceding new growth. Between 1970 and 1975, new money and management came in.

Prices to the reader were increased to take some of the cost burden off advertisers.

Target marketing was discovered by magazines. From 1975 through 1981 magazines created an explosion of new titles like *People* and *Discover* from Time Inc. and the medium saw its advertising revenue increase a hefty \$2 billion. In 1973, the industry resumed its pattern of showing an annual increase in circulation and sustained that pattern year after year, through 1981.

Today the vitality in magazine publishing is hard to match in any medium.

Let's look at the role of "decline" and "growth" in the life cycle of media. Each medium's life cycle follows its own pace but certain patterns emerge.

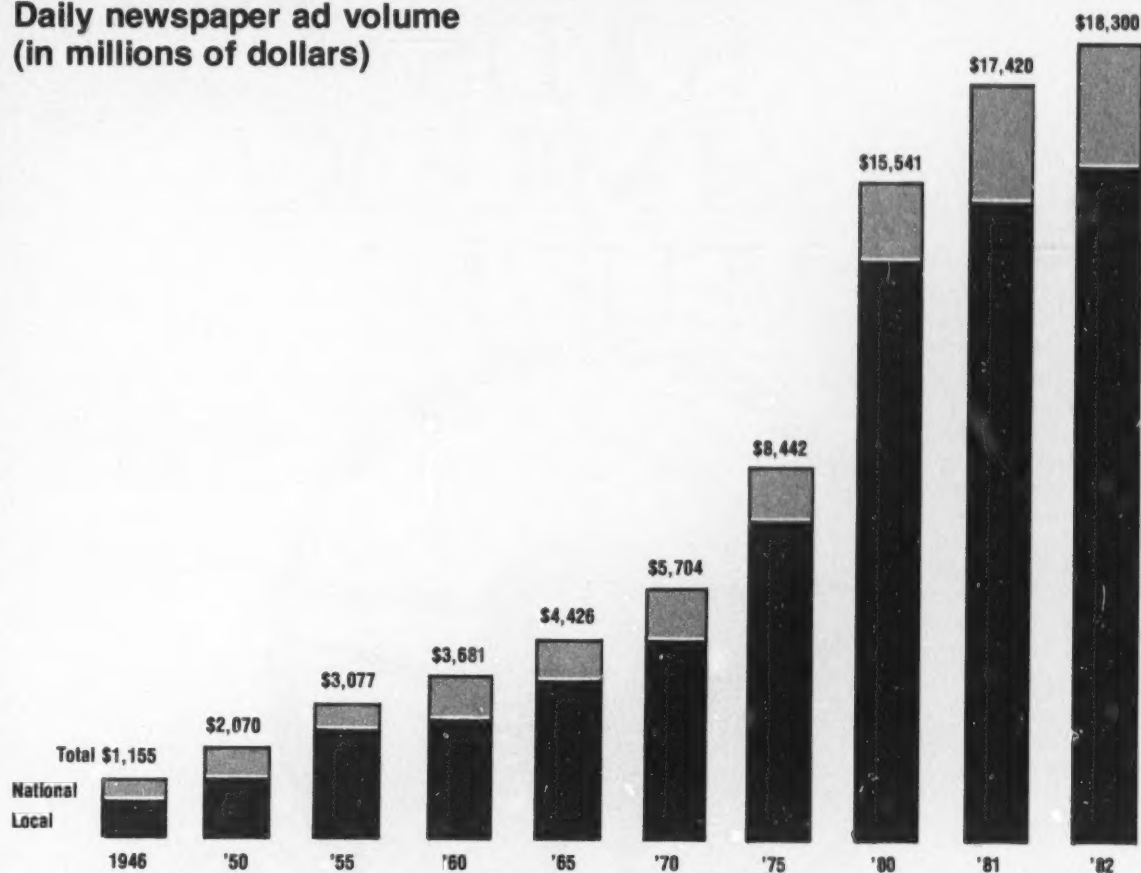
Growth in cable claims a considerable top of mind position these days in advertising and media circles. Here is one kind of growth — growth in numbers. Cable is in an early stage of life.

Watching it grow and challenge our ingenuity fills us with the same heady excitement we felt in the 50's and 60's as conventional television blossomed. But, its numbers growth does not guarantee cable's value. Cable will have to reach another stage of growth to reach its full value as an advertising medium. By marketing the medium to subscribers and advertisers, cable is being led toward new cycles and growth in value.

Magazines, newspapers and conventional television were a long time in the numbers growth stage. Outdoor expanded from displays on the sides of barns to everything anchored to the ground. Some cities had five and even ten daily newspapers. Television set ownership grew and color enhanced its impact. They all had their numbers growth.

In the next cycle numbers do not necessarily stand still but rather are more paced. Advertisers feel safe in committing heavy portions of budgets to the medium. Value is confirmed and the medium may experience an impressive cash flow and growth at the bank.

## Daily newspaper ad volume (in millions of dollars)



Sources: Newspaper Advert. Bureau; Decisions estimates.

Then, affluence takes its toll on the medium's concern for its basic advertising, editorial or program values. Inflation may begin to play havoc with operating cost and profit. Advertising rates may get ahead of what the market is willing to pay. Advertisers look around for more effective, efficient media. Reader, viewer and listener life routines and priorities change. A new medium like cable may be born and attract both advertising and readers, viewers, listeners. A further growth in numbers is threatened or actually halted.

The measure of a medium is not what cycle it is in, but how it responds to it.

The consumer magazine industry's response between 1970 and 1975 to the challenges of leadership, cost inflation and television is a classic case of the industry response cycle and how to

manage it. A successful revitalization program — clearly perceived in the advertising community as improved value of magazines as an advertising medium — was achieved in just a few years. Top magazine management committed its own personal attention and other industry resources to the challenge.

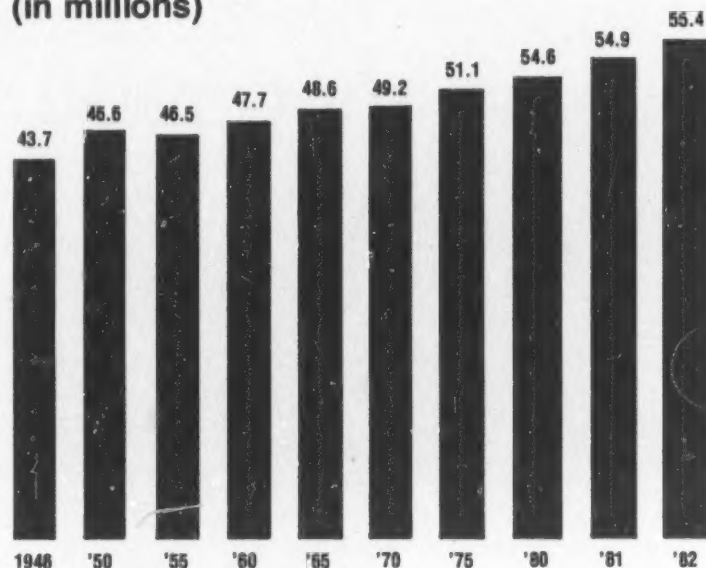
At this phase, a phenomenon emerged: *Reader's Digest* and *TV Guide* and their large circulations survived intact the industry's circulation shakedown phase and the rise of segmentation and specialized magazines. However, some of the other mass magazines in the early 1970's moved toward a new marketing strategy. Some cut back their circulations and space cost. They carefully appraised national advertisers of what they were doing. And, advertisers bought their reasoning: we will give the advertiser a

lower circulation but the advertiser will get better demographics and better brand prospects, readers who pay full price and really want the publication. By strategy they shifted the spotlight from circulation numbers (an attempt to battle television) to editorial and product value and the more valuable readership attracted by it. Advertisers bought a more valuable readership despite the circulation decline at certain publications.

Circulation for all ABC audited consumer magazines continues to climb annually. However, a medium does not necessarily demean its advertising effectiveness when, by strategy, it allows circulation (and space cost) to find its own (albeit lower) level. Carefully managed decline can add value.

While growth in numbers is desirable when it is accompanied by increased value, it is not essential that

## Sunday newspaper circulation (in millions)



Source: Newspaper Advert. Bureau

print media increase circulation in order to increase their value as carriers of advertising.

A more mature medium reaps its reward. A medium tends to reach its full potential as an advertising medium after its prime numbers growth phase — not during the heady phase of its numbers rise.

At maturity all major media faced a crisis — a real or potential decline in numbers. Then, an alert top management focused on the crisis and responded to it — in time.

When the bi-centennial and an election year hit television in 1976, the magazine medium had a package of attractively priced, attractively edited and reproduced publications. That fine product in 1976 attracted a strong readership base offering mass or segmented markets and brilliant reproduction and color to advertisers turned off by the price of television or turned away because time was not available when they wanted it.

When the opportunity came, magazines were ready.

Perhaps too many years of inflation have blurred the doomsayers' vision. When the numbers stop growing, they see nothing beyond it. What they miss is the added value that evolves from

well-managed growth — growth in value, growth into maturity.

Ironically, decline — in this case decline in the value of the dollar — has not blocked either the consumer's or the advertiser's vision where value and maturity are concerned. Maturity is back in style. Newspapers should not worry that they are a mature medium.

### The mature 80's

For some time, surveys have tried to tell us something. Consumers want value. At the bottom of the business cycle high ticket items are moving and middle priced items gather dust on the shelves. Consumers with money prefer one great, well-made outfit to four, lower-priced ones — maturity in the marketplace. It is these mature consumers you worry about. And, mature consumers are likely to be newspaper readers.

Advertisers also are telling us something: sell value; deliver more value for my advertising dollar; create advertising for the mature discriminating consumer and place it in media accordingly.

The deeper concern for value bodes well for mature media. Newspapers and magazines are in mature stages of growth — like mature consumers.

## Newspapers and the life cycle

In that context of how media mature and grow through challenge and change, you can better judge recent headlines on daily newspapers that are paring down, redesigning, throwing out old editions here — moving the time of day of distribution there — combining evening and morning into all day — choosing one editorial staff rather than separate staffs for their morning and evening editions — shaking down and shaping up — adding strength and value to the medium.

From 1978 to 1981, the newspaper industry reported 184 significant changes that can be analyzed for their effect on the medium. There were approximately 53 single edition evening papers that gave up publishing in the evening and became morning papers via "conversions"; 31 mergers into one paper mostly of a morning and an evening paper under common ownership; 14 moves from daily to weekly edition; and 26 outright closings. To that add the appearance of 60 new dailies.

In total, 131 of the changes involved evening newspapers.

Doomsayers see no numbers growth in circulation relative to the population for the medium in recent years. In addition, they hear of the many changes and ask: "Why are daily newspapers on the decline?"

Obviously they ask the wrong question. The right question is: "Are daily newspapers declining in value as an advertising medium?"

In the 1950's daily newspapers moved toward group ownership — an evolution in itself that brought enlightened management and exceptional financial stability to nearly all dailies. That strength served the medium well in the 1970's when several challenges hit at once.

### Challenge from inflation

In the middle of the 1970's rising operating costs, particularly the soaring price of newsprint, threatened the industry's financial stability.

The industry responded with a heavy investment of time and money to develop and install new technology. If you wonder why it can take time for daily newspapers to respond to challenge, bear in mind that more is in-



volved than just calling a staff meeting. There are 430,000 employees working at facilities in large and small plants located all over the country.

The industry's successful response to inflation is an achievement of epic proportions. In 1983, newspapers have in place an efficient technological base that is not only advanced but moving toward even greater efficiency from technology just off the drawing boards. That turnaround reflects the strength of more than 1700 daily newspapers and their proven capability to rally a mammoth effort of management time, money and guts. That strength and capability directs and supports the strategy behind the current changes we see at newspapers.

But back to the scenario in the mid-70's when the full impact of inflation hit. Editorial staffs and press rooms were equipped with advanced technology. One result was greater operating efficiency. Another was improved reproduction, laying the groundwork for more product improvement to come.

### Challenge from the reader

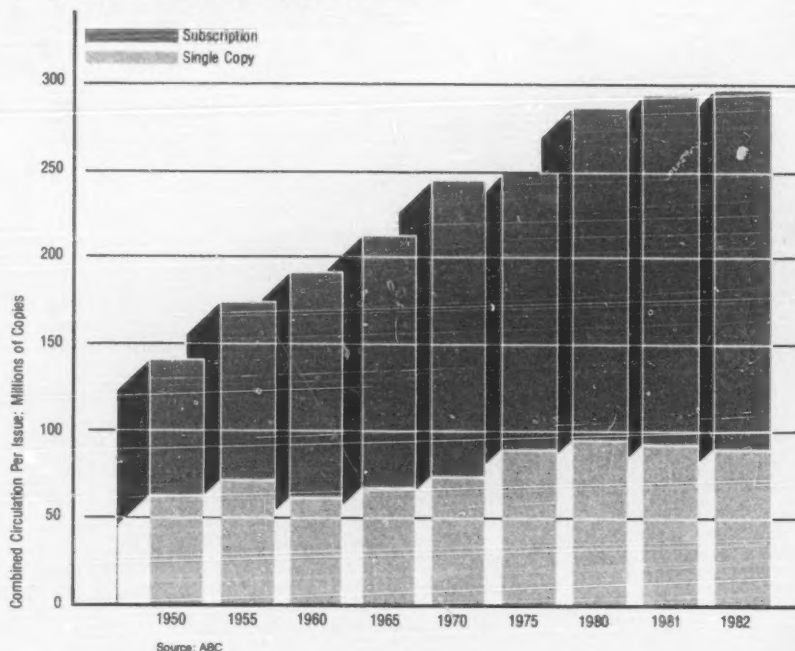
Inflation, unfortunately, was not the only challenge. In 1975, as newspapers responded to rising cost, the combined circulation of all daily papers fell below 61,000,000, the lowest since 1965. The long-term trend in the percent of U.S. adults reading newspapers was declining.

The solution would lie in two closely related areas: creative editorial development and creative marketing of the new product to the reader. A few prescient publishers already had made the move into these areas. But in 1976, most had not. With readers turning away, controllers loosened the purse strings. Resources were committed for editorial facelifting and upgrading and for market research.

Facing several challenges at once, newspapers in 1976 began investing again — this time six million dollars in research on readers. Guided by the research, the industry went into a period of self reappraisal. Publishers beefed-up editorial staffs. Products were editorially and graphically re-created to be relevant and more responsive to economic and social change.

The improved editorial product, combined with better reproduction,

### Magazine circulations are rising in spite of falloff in newstand sales



added value for both the reader and the advertiser. But editorial upgrading alone was not enough to turn the tide of waning readership. Research on readers in the mid-1970's not only guided editors. It also carried a message that was not missed by savvy publishers, general managers and circulation managers wondering what more they could do — all the better if they could cut cost along the way.

While most were pondering, a few brave publishers — frequently at evening papers — made their moves to test new ideas in the marketplace. All other evening newspapers watched and carefully checked the effect of those early changes on circulation and advertising. They were pleasantly surprised.

At about the time the research was on its way to publishers in 1976, The Modesto Bee and The Fresno Bee converted from evening to morning. By mid-1978, circulation had increased 18% and 12% respectively. Then, in 1978, The Sacramento Bee converted from evening to morning, invading the turf of its morning competitor. Two years later The Sacramento Bee's circulation was up 25,000 or 13%. Its circulation today is 21% higher than before the conversion.

News like that soon gets around.

It is not easy to put yourself in another fellow's shoes and say "here's what happened" to cause so many changes at evening newspapers. The industry is invited to give its own account. Each evening newspaper making a change no doubt had some reasons that were unique to itself and its market. Research gave different directions for different markets. Some surveys told publishers of evening papers not to convert — that readers in the market have a definite preference for an evening paper. A few even moved the other way and converted from morning to evening. But most moved from evening to morning or all day.

Bear in mind that any general change in the industry will appear to affect evening more than morning papers, because three out of four dailies are evening papers (1,322 evening, 378 morning and 30 all day papers).

The following is a whole menu of factors and reasons behind most of the headlines we see on evening papers. The question was: editorial aside, what else can we do that will attract more people to newspapers and make newspaper reading more valuable and satisfying?

## Advertising revenue continues to climb in consumer magazines



Source: MPA.

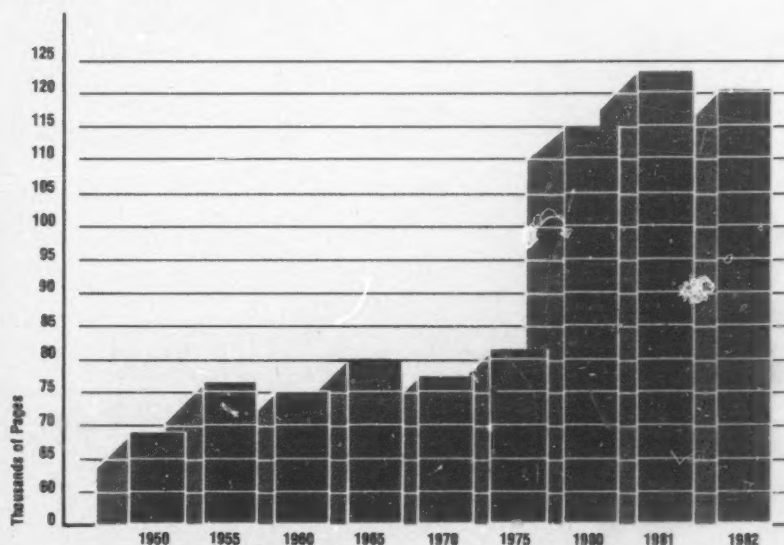
### Research and reason

Seeing some success in gaining readership from moves at a few evening papers, publishers at others in the late 70's went back to the ANPA research on readers and reflected: morning editions are frequently the strongest in competitive markets. That is strange. Why, then, are so many dailies evening papers? Some evening editions, they recalled, had been designed with the pre-World War II

non-working housewife in mind. Had something changed? You bet!

Where there is both a morning and evening paper in the same market — a survey in one market hinted — readers get more satisfaction from the morning paper. Most major news breaks occur late in the day giving morning papers an advantage. The mid-70's research showed that reader life schedules vary by market and in *some* markets morning papers better fit the bill.

## Ad pages in consumer magazines dropped slightly in 1982



Source: MPA

More than half of married women work. A market with a heavy white collar population may get up in the morning and come home at night on a schedule favoring morning newspaper reading combined with television viewing in the evening, having already seen the newspaper. Another market with more blue collar workers getting up earlier and returning earlier may favor the evening paper. The pattern held true in many but by no means in all markets.

There are some operating economies whether you convert a single edition evening paper to morning or merge evening into a morning under common ownership. The high cost of gasoline favors morning editions which in many areas can be put in the mail before 6 a.m. and delivered the same day.

If the company owns both the morning and the evening edition, cost savings from a merger to morning or all day are obvious where the change is from two to one delivery a day and particularly where two editorial staffs are combined into one. Savings from merger can be invested in the surviving edition to further upgrade the product — another increase in value for readers and advertisers and an opportunity to attract new readers.

It is surprising that there have not been more conversions and mergers.

### Circulation and readership

What does conversion and merger do to readership?

Among the 46 single issue evening papers that converted to morning from 1978 through 1981, there were 29 papers with a circulation of over 10,000. Two out of three of the 29 papers show an increase in circulation since the conversion. Five show an increase of over 20%. For all 46 conversions, the average circulation increase was 10% — a gain despite the fact that the 20 conversions in 1981 had not had enough time to attract their full circulation potential.

The six mergers in 1979 have had time to show results. Bear in mind that the benchmark estimate for duplication for a morning and evening combination in a market is 16% to 22%. After the two papers merge into one, if the one paper equals the circulation of the two or even shows a circulation de-

crease of less than 16%, you can assume the merged paper has gained in readership.

For example, of the six 1979 mergers, three lost or gained between -3% and +5%. Two lost 16% and another gained 20%. Conservatively then, we can say four mergers gained in readership and two broke even. The nine mergers in 1980 show seven readership gains and two just holding their prior readership.

Fortunately circulation gains result in some cases. But, even if circulation did not increase, a move via merger to morning or all-day could increase readers per copy since the one remaining paper is available for reading longer during the day. Users of syndicated newspaper reader research, just becoming available, can logically expect more readers of newspapers per copy now than was seen in the 1970's and 1960's, due to product improvement and due to conversions and mergers favoring more morning newspapers.

#### For the advertiser

How does the advertiser fare in a move from evening to morning? We can surmise that early movers to morning demonstrated success in holding advertisers particularly in non-competitive markets where most of these changes are taking place. We can assume that local advertisers watched the conversions and mergers and that research or inquiry by local advertisers satisfied them that a morning product is seen earlier and sells all day.

Perhaps merged papers shared operating savings by giving local advertisers lower space rates. With so many newspapers in on the move, it seems safe to say that generally the local advertisers saw added value. Advertisers may even have encouraged certain publishers to merge or convert because it would add advertising value.

While most have made the move from a strong marketing and financial position, a few of the evening newspapers converting to morning or all day in competitive markets may have long term survival as a reason. The forces in its favor are strong for the advertiser, the reader and the publisher.

There is plenty of opportunity for

conversions in the future among the more than 1300 evening papers. Mergers can occur in approximately 150 places. There are 100 cities where morning and evening editions are under the same ownership. 28 cities with directly competing papers and 22 cities with competing newspapers working under a joint operating agreement.

Changes other than conversions and mergers balance out the picture. However, these changes, with one exception, are outside the purview here: changes at evening newspapers. The other changes include the 60 new dailies that came into the business during the four years (1978-1981), of which nearly one half are evening editions. Subtract the 14 dailies that moved to weekly, of which most were evening papers. Finally, there are the newspapers that closed outright.

Outright closings of newspaper operations are the most visible of all changes. The ANPA reported 23 closings 1978-1981. To this add the closings in 1982 at The Philadelphia *Bulletin*, The Cleveland *Press* and The Buffalo *Courier Express*. Of those 26 closings, 15 were evening papers, six were morning, and for five papers no record could be found to give the edition or circulation in source books existing near the time of their demise. Approximately half of the 26 closed newspapers had a circulation of under 10,000. Seven had a circulation of over 100,000.

Mergers and closings can affect reader satisfaction and invite competition. A whole product category and the satisfaction of the consumer can be demeaned when consumers lose the value of being in a position to make a choice. National newspapers have seen and seek to fill the need for choice.

The loss of each voice and light is seen as a tragic event. But, paradoxically, the result of a closing can be that advertisers gain from the consolidation of market readership into fewer newspapers — just as advertisers can gain from a merger. Readers per copy of the remaining circulation can increase.

The Washington *Post* estimates it picked up 85% to 90% of the exclusive readers of the Washington *Star*. This does not include readers who moved to the new competition — The Journal

Newspapers, The Washington *Times* and USA *Today*. In general, a similar pattern holds true in Philadelphia. For awhile the surviving paper may experience a loss of efficiency and return on investment due to the strain on the organization to meet the sudden increase in demand. Eventually, however, the survivor returns to optimum operating efficiency. The surviving newspaper is then in a position to improve the product and pass savings on to the advertiser.

Closings were obviously not a part of the industry scenario. They are a function of the harsh socio-economic realities individual companies face in every industry — a hesitancy to make expensive bold moves at the right historic moment and a failure to exploit opportunities perhaps years ago when the time was right. Once a newspaper has closed, it can be viewed by media observers as a further function of the current phase in the medium's life cycle — a numbers shake-up in the industry — the last phase of it because the number of competitive cities is declining.

Once duplicated readership is removed from the count, it is safe to say that surviving newspapers in the market will pick up virtually all of the exclusive readership of the closed newspaper. Relative to the over 1,700 dailies with strong operations, few weak papers remain.

#### No growth without change

Making sense out of the headlines is the objective here. It all leads to added value as an advertising medium.

There is much more to the scenario which the industry is communicating to the advertising community. Newspapers' response to challenge is by no means over.

It is just getting up steam.

The industry scenario is not a panic or crisis act. It does not have to be. It is first a plan to shake out weakness and inefficiency to keep an already strong medium strong. And, it is a plan to grow in value to readers and advertisers — because only through growing in value can a mature medium compete and remain strong. Growth came for many years through inflation. In the 80's real growth will come through change. Expect it and welcome it. ■



# Liquor



**In 1982 liquor advertisers increased budgets about 12%, but sales were off 7%. How big a bath the industry would have taken, if the leaders hadn't poured on more ad dollars, nobody knows. Imports were not as badly hit as domestics. Bacardi, Jack Daniels, Seagrams VO did better than others.**

If there was any question about liquor being a recession proof industry, the dispute was settled conclusively in 1982.

Industry newsletters and annual reports both attest to the poor year distilled spirits had. The decline registered across the board except for Irish whiskey, which constitutes a miniscule percentage of industry sales.

But while shipments of distilled spirits were declining, advertising budgets went on expanding. Media measured by Leading National Advertisers and the Publishers Information Bureau show an eight percent increase in 1981 over 1980. And first half figures for 1982 show a 12% increase

over first half 1981. Obviously, liquor marketers aren't sitting on their hands waiting for the economic turnaround. In fact, many of them funded their budget increases with price hikes on product last year.

Most liquor marketers attribute the slowdown in sales and shipments to inventory reductions made by retailers and wholesalers in response to record-high interest rates.

The industry newsletter IMPACT notes that, "On the whole, total shipments of domestically produced distilled spirits were down 7.4% in the first nine months of 1982, to 213 million gallons and 69.6% of the total market. Total imports declined less, but still

## Liquor Sales Leaders in Cases — Top 20 1981

| Brand           | 1981        | 1980        | % change |
|-----------------|-------------|-------------|----------|
| Barcardi        | \$7,750,000 | \$7,600,000 | +2%      |
| Smirnoff        | 6,000,000   | 6,100,000   | -1.5%    |
| Seven Crown     | 5,765,000   | 5,800,000   | -2.2%    |
| VO              | 3,675,000   | 3,800,000   | -3.6%    |
| Canadian Club   | 3,450,000   | 3,600,000   | -3.8%    |
| Jack Daniels    | 3,250,000   | 2,800,000   | +16.5%   |
| Jim Beam        | 3,075,000   | 2,950,000   | +4%      |
| Canadian Mist   | 2,850,000   | 2,650,000   | +7.8%    |
| Popov           | 2,755,000   | 3,000,000   | -7.6%    |
| Seagram's gin   | 2,700,000   | 2,500,000   | +8%      |
| Gordon's gin    | 2,550,000   | 2,600,000   | -2.3%    |
| Dewar's         | 2,400,000   | 2,350,000   | +2.2%    |
| Windsor         | 2,400,000   | 2,400,000   | —        |
| J&B             | 2,175,000   | 2,325,000   | -6.5%    |
| Gilby's gin     | 2,100,000   | 2,100,000   | —        |
| Gordon's vodka  | 1,900,000   | 1,850,000   | +2.6%    |
| Black Velvet    | 1,900,000   | 1,875,000   | +1.8%    |
| Cutty Sark      | 1,775,000   | 1,725,000   | +2.4%    |
| Christian Bros. | 1,700,000   | 1,625,000   | +5%      |

significantly with a 5.6% loss to 93 million gallons and a 30.4% share of the total distilled spirits market."

Moreover, IMPACT is not optimistic about a trend reversal in 1983: "It's difficult to summon optimism for the distilled spirits market in light of its dismal performance record for the first nine months of 1982."

"The best hope for the market in the future lies with the possibility of an economic recovery, which would at least allow marketers a fighting chance in the acknowledged slow growth distilled spirits market."

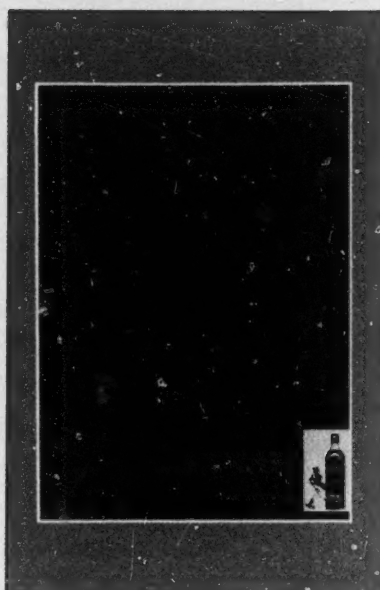
One well-placed industry executive sees a number of factors in addition to a weak economy impinging on the spirits marketplace. Currently, he says the industry faces more problems than it has in his 11 years in the business.

"Recessions in the past have receded before they hit us, but this one has persisted and bit us in the ass," he said. And the situation is compounded by other trends which have abetted a downward spiral of consumption.

Primary among them are: A trend toward the lightening up of consumption—people are drinking less. There is also a preference for lighter taste in distilled spirits. There is considerable pressure on distribution

## 1981 Liquor Expenditures for Leading and Significant Brands

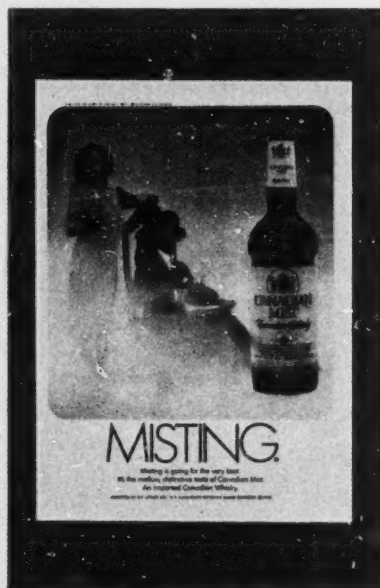
| Brand         | Total        | Magazines    | Supplements | Outdoor     | Newspapers |
|---------------|--------------|--------------|-------------|-------------|------------|
| Bacardi       | \$ 5,787,300 | \$ 3,611,400 | \$ 85,000   | \$1,790,900 | \$ 300,000 |
| Cutty Sark    | 5,558,600    | 3,366,000    | 174,200     | 1,569,000   | 449,400    |
| Canadian Mist | 7,835,500    | 4,004,600    | —           | 3,026,100   | 804,800    |
| Jack Daniels  | 4,502,300    | 3,535,200    | —           | 954,800     | 12,300     |
| Jim Beam      | 3,440,000    | 2,194,400    | —           | 509,300     | 736,300    |
| J&B           | 12,560,900   | 9,316,300    | 269,900     | 2,180,600   | 794,100    |
| Smirnoff      | 6,835,500    | 4,098,700    | 140,300     | 2,012,300   | 584,200    |
| Canadian Club | 11,864,600   | 7,538,600    | —           | 3,808,300   | 517,700    |
| Beefeater Gin | 6,100,600    | 3,797,600    | 194,900     | 719,300     | 1,388,800  |
| Dewar's       | 8,435,000    | 5,595,100    | 159,800     | 840,100     | 1,840,000  |
| Seagram's gin | 2,201,900    | 1,311,900    | 11,600      | 843,700     | 34,700     |
| Gordon's gin  | 3,285,900    | 2,932,800    | —           | 350,600     | 2,500      |
| Crown Royal   | 9,266,800    | 8,130,700    | 86,700      | 489,500     | 519,900    |
| Seven Crown   | 9,629,400    | 4,634,800    | 1,444,100   | 1,821,300   | 1,729,200  |
| VO            | 13,289,980   | 11,138,100   | 85,100      | 1,934,000   | 132,700    |



channels as the number of wholesalers declines through consolidation and buy-outs. There is a similar pattern of consolidation at the retailer level as mom & pop stores are replaced by supermarkets and larger retail outlets. Consumer buying patterns are shifting from the middle price range to either the high or low end.

"All these factors are coming together for the first time," the executive said. "And for the first time, the industry is being faced with the necessity for value marketing—the kind of marketing that emphasizes the perception of value by consumers at the retail level."

While marketers were contending



with economic factors and sluggish consumer interest, they were also looking for ways to put more punch into their print advertising. The most favored device in 1981, and to some extent, in 1982, was the sweepstakes contest. In 1981, major spirits advertisers invested \$3.6 million in various contests in an effort to generate greater reader involvement in ad copy.

Major investors in 1981's fun and games were Smirnoff vodka and J&B scotch. Smirnoff pumped \$974,000 into its sweepstakes, and J&B, \$829,000. Obtaining maximum visibility continues to be a dominant consideration for spirits advertisers. Federal regulations on copy content and a limited number of ways to visually call attention to product and brand keep creative in a tight straight jacket.

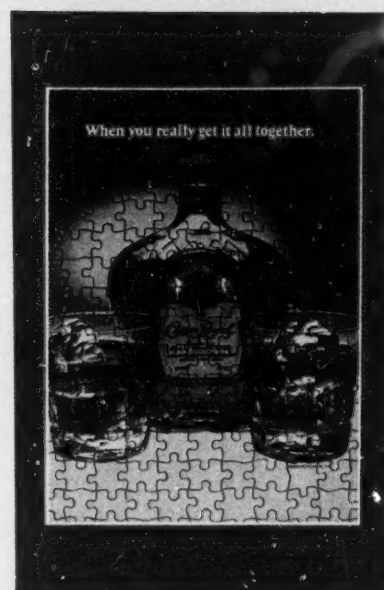
But while the overall trend in spirits sales was down, there were a few winners in the brand share growth contest. Bacardi rum continued its upward performance in 1981 to add to its dominance of the total spirits market. Bacardi's growth was a modest 2%, from 7,600,000 cases to 7,750,000 cases.

The next share growth performance doesn't come until sixth place, a new position for Jack Daniels, which took over leadership in the bourbon category from long time leader, Jim Beam. The Brown-Forman brand showed 16.5% sales growth, rising from 2,800,000 cases to 3,250,000.

In the Scotch category, Dewar's slipped past J&B, which lost 6.5% of its share while Dewars was posting a 2.2% gain. And in vodkas, Smirnoff, an increasingly distant second to Bacardi, took a slight loss, dropping from 6,100,000 to an even 6,000,000 cases.

In the blends category, overall performance continued to diminish, as in 1981 the category share leader, Seagram's Seven Crown suffered share slippage. Blends were shown to be down 8.5% by IMPACT.

Canadian spirits nearly held their own through the first nine months of 1982. Seagram's VO continued to hold the top spot in the category despite a 3.6% sales decline in 1981. Canadian Club, in second place in the category lost 3.8% in sales, while Canadian Mist was picking up a bit

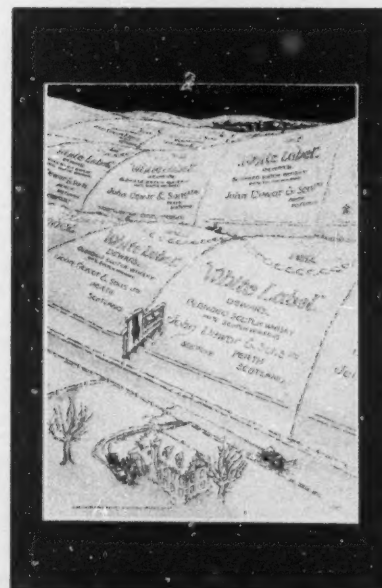


more than CC lost, Windsor Supreme is holding its own.

Among vodkas, despite share loss, Smirnoff is well ahead of its nearest rival, Popov, a price brand, which also lost share in 1981. The category itself shrank slightly, but in the first nine months of last year still increased its share of the U.S. distilled spirits market.

## Blends

Once the darling of whiskies with the U.S. public, blends have been losing popularity since 1960, when they commanded 31% of the market. Down 19% by 1970, they have slipped





further still, to hold only 7.6% of the market as of September last year.

Seagram's Seven Crown remained the best selling blend in 1981 and held the third spot in sales, a position that looked safely unchallenged in 1982. Some erosion was noted in 1981 as sales slipped 2.2%, to 5,675,000 cases.

Leigh Schmalz, account executive at Warwick, Welsh and Miller, indicated that Seagrams has been aware of share erosion, and is making an effort to add younger drinkers to the brand's franchise, which now clusters toward an older demographic.

"We are starting to target to the under 34 consumer," Schmalz said, "and are buying magazines that relate best to that group and their life style. We're most interested in entry level because those consumers are more willing to experiment and haven't yet become rigidly brand loyal."

Creative currently focuses on mixability, particularly 7 & 7 and Seven and Coke, in such settings as video games and beach parties, to re-establish the franchise with younger users.

Magazines are used for this thrust with four color pages, as well as a two color, one third page that features promotional items, tee shirts, glass mugs and mirrors. Schmalz said that the fractionals were developing very strong awareness but could be doing better in terms of pulling orders for the premium items. Seagram's is also investing heavily in protection of its strong markets for Seven Crown, he said, with outdoor and supplements. College markets are also playing a strong role in rebuilding the franchise with a younger demographic, with the use of college newspapers, kiosks and larger outdoor postings.

## Bourbon

Not the favorite it once was but despite its loss of popularity along with other brown goods to the white goods category, bourbon is still the strongest segment among whiskey types. While shipments for the first nine months of 1982 were down 10%, bourbon still commanded 14.5% of the U.S. spirits market. That is just half its 1960 share.

Although bourbons have been languishing, one brand emblazoned itself in the popular mythology as a name to conjur with: Jack Daniels. The growth of this brand has been the phenomenon of the spirits industry for the past five years. In 1981, it rose to sixth place with case sales of 3,250,000. This represents a 16% increase over the previous year, the largest percentage and case sales gain for the industry.

In fact, Jack Daniels whizzed past the longtime share leader, Jim Beam, which itself posted a substantial 4% gain over the previous year.

But for other bourbons, 1981 was a most dismal year, as they accrued substantial share losses. Even the venerable Old Granddaddy took a 6% loss to wind up in 36th slot with case sales under a million. The exception, well down on the list, was Wild Turkey, a specialty premium brand, which posted a slight gain.

Regionals, such as Weller, also show signs of strength.

## Jack Daniels

This B-F brand, which has its own separate listing in the advertising Red Book, has developed a mystique that is the envy of the spirits industry. And it may well rival Bacardi in its record for building image and sales with a modest media budget as it scavenges custom-

**“Jack Daniels has developed a mystique that is the envy of the liquor industry with black-and-white ads”**

ers from other brands and continues to build a chic reputation among young imbibers.

Creatively, the Jack Daniels campaign is a renegade proposition, eschewing full pages and color. JD makes the best case for fractionals of any brand currently using magazines. And if that isn't outrageous enough, the ads contain long copy and small graphics.

The Jack Daniels media expenditure in 1982 probably runs just over \$5 million. At midyear, LNA's measured spending totalled \$2,359,800. When

the heavy-up for fourth quarter is added in, along with as yet untalented newspaper outlays, the Jack Daniels media total should come close to \$5.5 million.

What Jack Daniels gets for its money is a campaign that emphasizes the lore of the distillery, the character of the people who manufacture it, the quality of the charcoal through which the sour mash is filtered. If a consumer relied on the advertising to discover the shape and configuration of the bottle label, they would remain a mystery. Package registration is no part of the campaign. The emphasis is on production process and the people involved in that process.

William Hanlon, advertising director at Jack Daniels, said the campaign is "Going on pretty much as it has for the past 25 or so years. Nothing has changed." He also said no new creative is in the offing, although some new variations are being worked on the old lore of the distillery theme.

Media continues to center around black and white fractionals in magazines and supps. Budget in '83 is up slightly, Hanlon said, to keep pace with inflation.

Sales are expected to continue their upward trend, but at a slightly lower rate, mostly due to the state of the economy, he said. "We're not growing as fast as before, but it's nothing that we're worried about."

## Jim Beam

There are worse things in the world than being relegated to the number two position in an industry after years of brand share dominance. For instance, being reduced to number three.

But in its second place performance in the bourbon category last year, Jim Beam has nothing to apologize for. The brand has continued a steady performance of growth over the years, which was continued in 1982, after passing the 3 million case sales plateau the year before.

Not the most aggressive spender in the industry, Jim Beam came in with \$3,440,000 in 1981, two thirds of it in magazines. Last year the budget increased slightly as the brand launched a new creative campaign with four color pages in magazines, which was

# Bacardi coladas.

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### Moment Banana Colada

Blend 1/2 ripe banana, 1 oz. cream of coconut, 1 1/2 oz. Bacardi light or dark rum and 1/2 cup ice cubes. Serve garnished with a banana wedge.

### Quick! Strawberry Colada

Blend 6 whole fresh or frozen strawberries, 1 oz. cream of coconut, 1 1/2 oz. Bacardi light or dark rum and 1/2 cup ice cubes. Serve garnished with whole berries.

### ARRR! Pina Colada

Blend or shake 2 oz. unsweetened pineapple juice and 1 oz. cream of coconut (or use prepared mix) with 1 1/2 oz. Bacardi light or dark rum and 1/2 cup ice cubes. Serve garnished with a pineapple spear.



Taste is all it takes to switch to Jim Beam.



also used frequently in its outdoor effort.

Chuck Niebling, account executive on the account at Bozell & Jacobs, Chicago, admitted that for the most part, particularly in media, the campaign was a continuation of past practices. "Nothing unusual was done last year. We continued with our usual list of magazines and worked to get the best possible positions in them."

Newspapers, he said, are used primarily in control states, with fractionals of 270 or 360 lines. Package registration was the creative theme with newspapers for the brand.

Niebling did note that gradually, the brand has been skewing younger in its demographic definition. "We're pretty much sticking with the 25-to-44 age group but skewing a little younger."

Creative for 1983, he said, will probably not change from last year's

concept. The 1983-'84 campaign is now being prepared and hasn't progressed to the point where much can be said about it, Niebling advised.

## Canadian

The long term upswing of Canadian whiskies was sandbagged in 1982, but only for economic reasons, the industry hopes. Since 1960, the Canadian segment of the spirits market marched from a 5% share to a high of 11.9% in 1981. That long gradual march upward was halted in 1982, as in the first nine months of the year, the Canadian share of the market slipped four tenths of a percentage point.

IMPACT tracks a 9% decline in Canadian shipments in the first nine months of 1982 as compared with the same period the year before. Gallons shipped fell from 39 to 35 million.

Seagram's VO continues to be the top seller in this category, but share slippage is evident. *Business Week's* figures show the brand down 3.6% in 1981. Hiram Walker's Canadian Club wasn't able to benefit from this loss, itself dropping 3.8%.

The major gainer in the category in 1981, and apparently last year too, was Brown Forman's Canadian Mist, which has been a hot brand for about five years. Canadian Mist came in eighth in sales in '81, with 3,850,000 cases sold. Jack Kennard, vp-national brand director at B-F believes that Canadian Mist may well have passed Canadian Club last year to take the number two spot among Canadians away from Canadian Club.

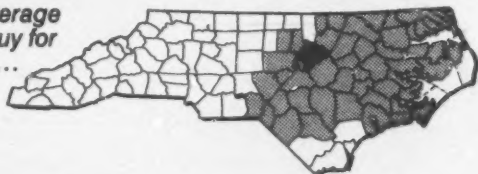
Kennard said the brand pitches Canadian themes in its four color magazine pages along with the theme, "Canada at its best." As the brand has

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strengthened its position in the marketplace, Cannard said B-F has "sought quality improvements, going to bleed. It has expanded its magazine list, and sought increasingly good positions."

Outdoor, he said, extends the magazine position with full color quality impressions. "We use outdoor to expand our reach and frequency, and direct it to our most productive markets."

Newspaper is used in markets where outdoor is illegal, or geographic emphasis is needed.

B-F also emphasizes the ethnic market, and has a series of magazine ads designed for the books it uses to reach

Gin has been one of the white goods categories to grow in recent years, but it fell off last year

the black audience, *Ebony*, *Essence*, *Dawn*, *Gentleman's Quarterly* and *Jet*. These ads, rather than focusing on Canada's outdoors, feature attractive black models and the bottle.

Magazines account for over 60% of the Canadian Mist budget, and Kennard notes that they are used with consistency and schedules that range between one and five insertions a year.

For 1983, Kennard wonders how well premium priced brands will fare as consumers make a greater point of looking for improved price-value relationships in their purchases.

### Gin

Gin hasn't been the greatest beneficiary in the swing to white goods over the past decade but has experienced some good steady growth in these years. But gin also fell off its plateau last year, with shipments down about 9% in the first nine months. Its percentage share of the spirits market has held steady though, at between nine and 10%.

The surprise of the industry has been the strong performance of Seagram's gin, which in 1981, edged out Gordon's for the top sales spot. Seagram's posted an 8% increase while Gordon's was dropping 2.3%, a fact that did not



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#### DETROIT

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Intl. News; 663 Yonge St., Toronto  
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B. Dalton Books, nationwide

go unnoticed among liquor advertisers.

Neither Gordon's nor Seagram's are heavy media spenders. In 1981, Seagram's spent \$3,285,000, according to LNA and Media Records, while Gordon's was investing \$2,201,900. Both are outspent by Beefeater and Gilby's.

Seagram's continues to use what the agency, Warwick, calls the "logo campaign." This features a large chrome G and N, with the Seagram's bottle standing in as the "I", to form the word GIN. Various executions are used in magazines and outdoor.

The brand is positioned against a dual audience, with an increasing emphasis on women. Agency executives indicate that Seagrams emerged from 1982 still holding the top sales spot.

Gordon's campaign puts the emphasis on the clarity of the product, showing a Gordon's bottle from the back, with the back of the label clearly visible through the liquid contents.

#### Rum

As rum goes, so goes Bacardi. In the past decade, it has gone straight up. But in 1982, the category leveled off, after years of consistent growth since 1960. Shipments were off 4.1%, one of the most minimal declines in the industry last year.

Bacardi rode that wave of growth through the '70's to become the top selling spirit by 1980. In 1981, the brand boosted its sales in cases by 2% to 7,750,000. And Bacardi's grip on the rum market is so solid that not another rum brand shows in the top 20 spirits in case sales. Efforts by contenders sometimes develop some pockets of regional strength, but none have been able to challenge Bacardi.

With its modest ad budgets, none of the competitors can claim that Bacardi bought the top spot with excessive advertising outlays. Bacardi's 1981 budget, calculated from LNA and Media Records, came to \$5,987,400, less than half of what J&B and VO each spent for declining shares. Figures for the first half of '82 show heavier expenditures, about an 18% increase. A heavy fourth quarter would put Bacardi's media outlays for the year at over \$7 million.

The Bacardi performance was built with mixability, a theme carried in



most of its magazine and Sunday supp advertising. That theme continues to dominate creative for Bacardi, according to Toby Dunn, management supervisor on Bacardi at Rumrill Hoyt, agency for the brand.

Spending was up in '82, he confirmed, and in measured media tops \$6 million. Brand growth continues at about 2% a year, he said, which assures Bacardi the continued number one sales spot.

An innovation for Bacardi was the introduction of Gold Reserve, a premium rum marketed to younger upscale men. Media used for this brand is concentrated at gift giving times, and



focuses in national magazines with a male orientation, and supplements where heavy-ups are required.

## Scotch

Over the years, Scotch has maintained its popularity, peaking in 1975 with 13% of the U.S. spirits market. But since then it has slipped back to about where it was 22 years ago at just over 9% of consumption. In the first nine months of 1982, shipments were down some 9% from the same period in 1981, about four million gallons.

What the situation adds up to is a fiercely competitive market for the four top brands that dominate the category, Dewar's, J&B, Cutty Sark, and Johnny Walker Red. Of the four, only J&B showed share loss in 1981, according to *Business Week's* survey of the industry. J&B slipped 6.5% to lose category leadership to Dewar's.

Positioning on these four brands demonstrates the difficulty in carving out a clearly discernable image for the intangibles of a label on a liquor bottle.

J&B, since leaving the E.T. Howard agency for Backer & Spielvogel, has used a soft focus, extremely subtle campaign linking the brand with calm, peaceful outdoor scenes with the copy line, "It whispers." Some industry executives are puzzled by point of the campaign — and if it mystifies industry members, there must be a few consumers who fail to fathom its intent.

The Johnny Walker Red campaign, playing upon consumer associations with the color red, also links the brand with the ineffable qualities of moments of relaxation, in which the association between relaxing experiences and the brand is readily evident.

Dewar's has shifted creative emphasis, dropping its previous authenticity pitch tied in with a Scotsman in full regalia, for a motif of craftsmanship. The brand also sharply trimmed its use of the profiles series, which highlighted the careers of successful individuals who drink Dewar's.

Meanwhile in the past two years, Cutty Sark has made a total commit-

ment to a campaign featuring maverick adventurers who endorse Cutty. Among them was John Z. DeLorean, whose venture into sports car production came to an ignominious close as he was arrested last fall on charges of involvement in a sizeable cocaine smuggling scheme.

While in 1981 J&B was the leading Scotch spender, with \$12.6 million, for the first half of 1982, Cutty Sark was leading the way. Expenditures in magazines, supps and outdoor totaled \$4.4 million as compared with J&B's \$4.2 million, which was down about \$150,000 from the previous year's six month total. Dewar's spent more heavily in first half '82, with \$3.4 million, as compared with \$2.8 million, from \$2.6 million in first half 1981 and budget continues to rise.

The battle this year appears to remain between J&B and Dewar's for top spot among Scotches, with Cutty and Johnny Walker still working to crack the two million case level.

*Fred Gardner*

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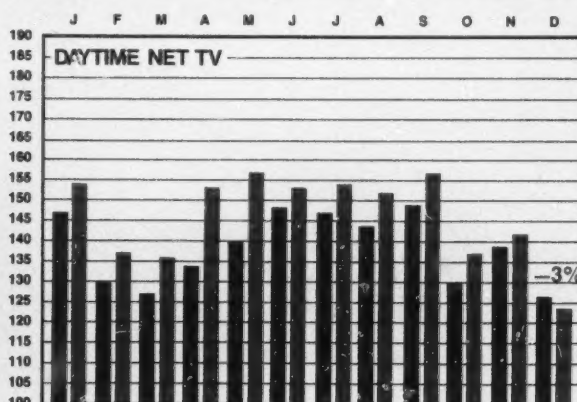
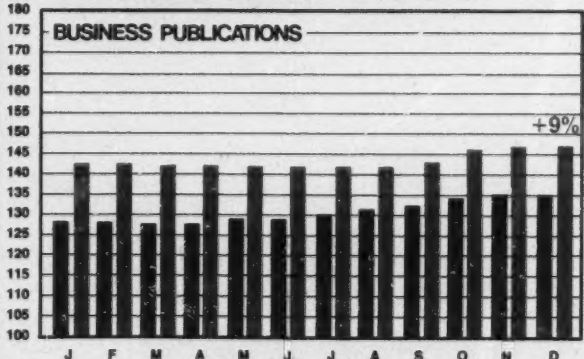
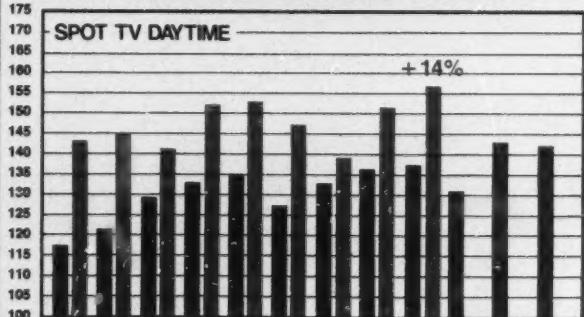
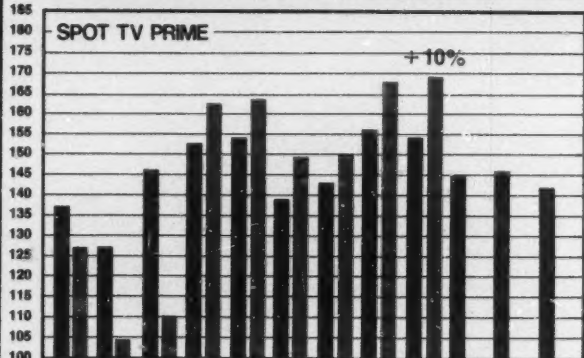
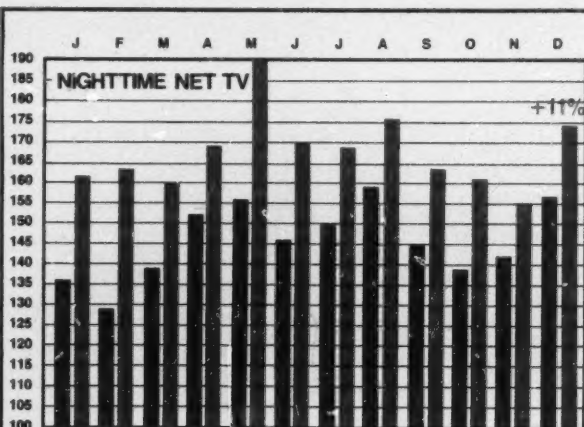
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# MEDIA COST INDEX

Black bars index for 1981; red bars 1982; base year 1977



**Consumer magazines** closed out 1982 at index 160 for December — 8% over average rates in December 1980 — and 60% over the base year 1977. This is about the level they plateaued at in the middle of the year. Forecast is for another price hike of 9% in unit costs this year (1983).

**National supps** showed a rate rise two percentage points over the magazines — up 10% for December 1982 compared to the same month in the previous year. And this trend continues through the first two months of 1983.

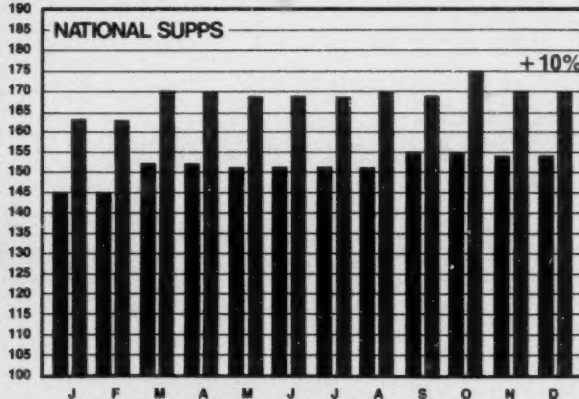
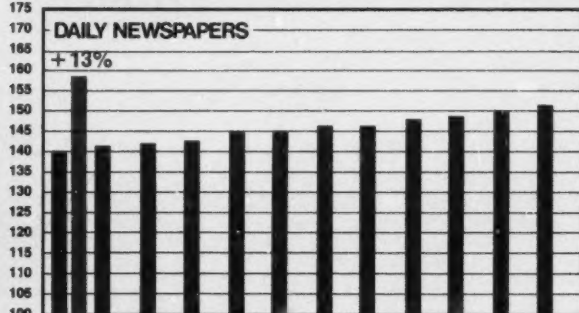
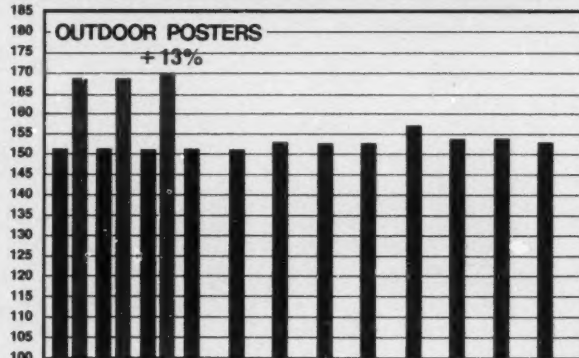
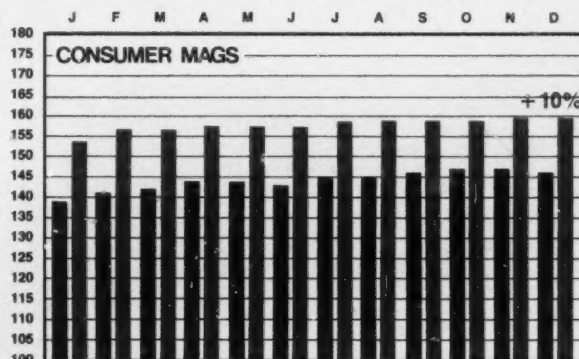
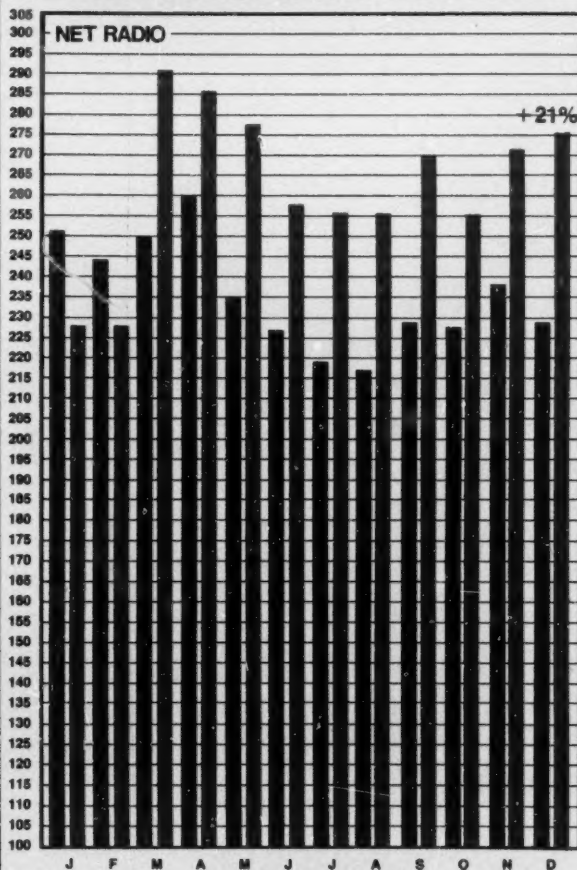
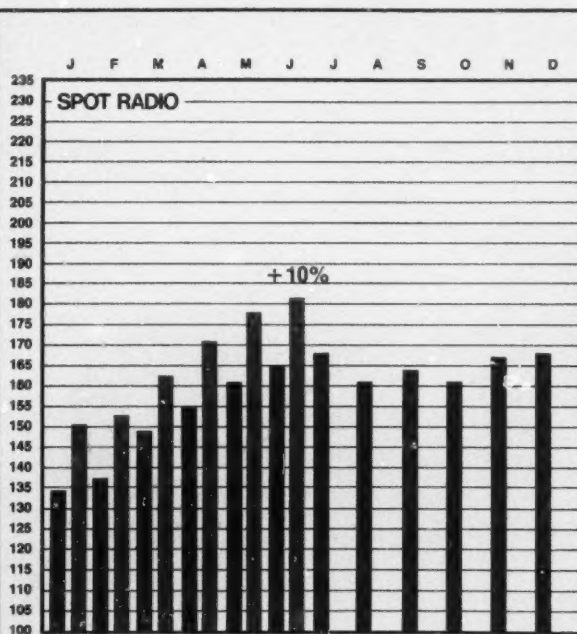
**Network radio** continues to flaunt its mounting popularity with national advertisers. It hit index 276 in December 1982 — up 176% over a relative low point in the base year for our charts, 1977. And this was 18% above December 1981. Radio unit prices exceeded expectations of Decisions' panel of cost forecasters in 1982. We predicted a rate rise of 8.5% over 1981, and prices ran well ahead of that last year. Our prediction for 1983 (see special issue on Media Costs last fall) was for an 8.7% unit cost rise. The way radio has been booming, that looks now as well below the actual cost spiral that is occurring in that medium.

The Media Cost Index reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Sources: **Nighttime Network TV** — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. **Daytime Network TV** — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. **Network Radio** — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. **Spot radio** estimates are based on SRDS cost of one minute on one station per market in the top 50 RADI markets. **Consumer magazine** estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue, as reported by MPA. **National Supplements** estimates based on reported SRDS cost of page, 4-color for three national supps. **Daily Newspaper** estimates based on Newspaper Advertising Bureau report of SRDS costs per page line of a stratified sample of 155 newspapers. **Business Publication** estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. **Outdoor Posters** based on estimates prepared by F.R. Cowl & Assoc. **HOW TO READ:** Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.



# MEDIA COST INDEX (continued)

Black bars index for 1981; red bars 1982; base year 1977



# Decisions

C2950-3

4/12/83

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## Airlines battle bargain seat blues

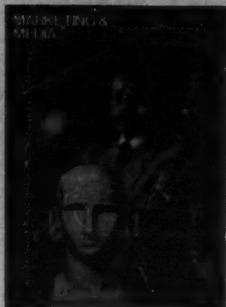
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# FUTURES

## Petry probes the future of television

While Wall Street analysts and other interested observers make merry with speculations on the future of television, the rep group, Petry Television, in conjunction with the Butterfield Communications Group, decided to see what people in the industry expect as the decade unrolls. 200 interviews were conducted with station management broadcast group executives, syndicators, agency media directors and advertisers.

Once again, a decline in network audience share is predicted. The report notes: "Network primetime shares have declined steadily for the past six years, down from 91.1 in 1975 to 85.6 in 1980. Station, agency and advertising managers expect the trend not only to continue but to accelerate. The pre-

dicted share decline of about 10 points in the next three years is almost double the rate of decline occurring in the last six. While perhaps overstated, this is obviously a reflection of the industry's belief that the pay cable networks will extend the erosion of primetime network audiences begun by the independents in the late 1970's."

The growth of independent stations is also seen as a source for network audience erosion. "In the future, independents may face tougher competition from additional independents in their market than from affiliates. Not surprisingly, among affiliates, NBC general managers were more concerned about independents (39% rated them as having a major impact).

As for ranking of the networks, CBS gets a consensus rating as being the most likely to be the top ranked net-

work in 1985. Agency and group executives supported that view strongly.

But at the same time, station management is seen as being ready to act opportunistically. Among the trends noted:

- Stations are increasingly inclined to control and capitalize on their own program schedule.
- Local production is seen by many as the key to retaining audiences and controlling costs.
- Stations are actively seeking new time periods to develop and new types of programming to schedule.
- Sixty percent of station managers expect the repeal of the Prime Time Access Rule, and most would retain control of the time rather than accept network programming in the event of a repeal.

While cable growth is expected, its main impact on advertising revenues is expected to come at the expense of the networks. The Petry report states: "Cable is not likely to have a significant effect on local and spot television sales in the foreseeable future. Cable system franchises rarely match the coverage areas of most local media. Planning and executing a cable spot buy is extremely difficult, given the uneven coverage of cable, the low viewing level of commercial cable channels and the limited research data available.

"To the extent that cable does enter the local advertising marketplace, its effects are felt more strongly in radio and newspaper sales than in broadcast television."

## New study of what makes Sammy run

What is the casual jogger a good market for? That's the question that will be answered by a study of the

Continued on page 180

### NETWORK SHARE PROJECTIONS FOR 1985

|                      | Expect ABC<br>To Be First | Expect CBS<br>To Be First | Expect NBC<br>To Be First |
|----------------------|---------------------------|---------------------------|---------------------------|
| All General Managers | 16%                       | 78%                       | 6%                        |
| ABC Affiliates       | 47                        | 53                        | 0                         |
| CBS Affiliates       | 0                         | 97                        | 3                         |
| NBC Affiliates       | 0                         | 77                        | 23                        |
| Independents         | 13                        | 88                        | 0                         |
| Group Executives     | 0                         | 100                       | 0                         |
| Agency Executives    | 9                         | 86                        | 9                         |

# THE NEW ELECTRONICS

## Cable's loss is broadcast's gain

The under reporting of cable viewing and the over reporting of network affiliation viewing is the major finding of the Cable Television Advertising Bureau audience methodology study.

The study confirmed that the use of multiple channels in a 30 plus channel environment increases the difficulty of accurate measurement. Of the six methods tested (four diary and two telephone), the accuracy of each varied by dayparts, demographic groups and cable systems.

A massive, concurrent telephone coincidental survey was used to validate the results of test methods which employed average-quarter and half-hour measurement. Information from QUBE's interactive capability was also available as an additional partial validator. Two markets were used in the study.

The shares by program category for households, Monday-Friday, 9 a.m.-11 p.m. were: network affiliates — 53%; broadcast independents — 19%; basic cable — 16%; pay cable — 9%.

The conclusions disclosed by Bruce R. Hoban, vp/director of research, CAB, noted of the Nielsen Station Index standard diary, that total household viewing levels reported from the NSI diary were similar to the coincidentals for the total daypart, network affiliate viewing was overstated, both basic and pay cable viewing were understated. The degree of difference varied by daypart and system.

Personal viewing data from the NSI diary showed that persons using television (PUT) levels were under reported for total persons 12 plus, men 18 plus and teens. For women 18 plus, PUT levels more closely matched the coincidental. The NSI PUT levels for network affiliates and independent

ARBITRON CABLE PENETRATION ESTIMATES  
BY TELEVISION HOUSEHOLDS  
NOVEMBER 1982

| ADI<br>RANK | MARKET               | 1982      |                |                        | 1981                   |
|-------------|----------------------|-----------|----------------|------------------------|------------------------|
|             |                      | TV<br>HH  | CABLE<br>TV HH | % CABLE<br>PENETRATION | % CABLE<br>PENETRATION |
| 1           | New York             | 6,457,900 | 1,584,093      | 25                     | 20                     |
| 2           | Los Angeles          | 4,241,000 | 805,221        | 19                     | 14                     |
| 3           | Chicago              | 2,999,700 | 279,026        | 9                      | 6                      |
| 4           | Philadelphia         | 2,481,900 | 791,050        | 32                     | 25                     |
| 5           | San Francisco        | 1,998,500 | 721,484        | 36                     | 35                     |
| 6           | Boston               | 1,930,800 | 395,280        | 20                     | 17                     |
| 7           | Detroit              | 1,674,800 | 182,730        | 11                     | 6                      |
| 8           | Washington, D.C.     | 1,510,100 | 197,111        | 13                     | 11                     |
| 9           | Cleveland            | 1,408,900 | 415,868        | 30                     | 21                     |
| 10          | Dallas-Ft. Worth     | 1,403,000 | 225,333        | 16                     | 12                     |
| 11          | Houston              | 1,326,000 | 345,017        | 26                     | 13                     |
| 12          | Pittsburgh           | 1,229,600 | 544,504        | 44                     | 41                     |
| 13          | Miami                | 1,156,700 | 251,321        | 22                     | 15                     |
| 14          | Minneapolis-St. Paul | 1,141,700 | 93,548         | 8                      | 6                      |
| 15          | Atlanta              | 1,117,400 | 249,853        | 22                     | 17                     |
| 16          | Seattle-Tacoma       | 1,110,400 | 399,654        | 36                     | 32                     |
| 17          | Tampa-St. Petersburg | 1,077,600 | 257,916        | 24                     | 15                     |
| 18          | St. Louis            | 1,040,600 | 101,487        | 10                     | 8                      |
| 19          | Denver               | 911,600   | 146,061        | 16                     | 12                     |
| 20          | Baltimore            | 856,900   | 113,209        | 13                     | 7                      |

stations had the least difference of all methods in comparison to the coincidentals. However, their shares were overstated because of the lower total viewing levels caused by under reported viewing of cable channels.

**A different angle** was taken in a test conducted by the Arbitron Ratings Co., in which sets were electronically monitored in households, and diaries were kept for one week. A separate part of the test studies a special diary designed to highlight cable channels and a 24-hour telephone recall method.

The study resulted in four primary conclusions:

- The meter is the only current method of audience measurement that can keep pace with the proliferation of television channels in use and maintain a very high degree of accuracy.

- In the 36 channel system studies, the diary accurately reflected tuning 77% of the time. In homes with a more typical number of channels, Arbitron expects that the diary accuracy would be even higher.

- Special cable diaries seem to help but current information does not indicate much improvement. More testing will be done in this area by Arbitron.

- There is no evidence that telephone recall represents a viable methodology for measuring cable channels. Arbitron is considering dropping all use of this method for testing purposes.

The study shows, Arbitron reports, that as the number of viewing options increase in a cable system, the accuracy of the diary is negatively affected. Viewing levels were recorded more accurately in the diary for broadcast tv.

# Gardening supplies

1982 was a rare down year for an industry that relies much more on weather than on economic indicators. Ad budgets held up and will continue to rise in 1983. But marketers don't see better times ahead for power equipment purchases. They concede that some consumers may well decide to take that deferred vacation rather than reseed the lawn this summer. Basic media for the industry: direct mail, spot television, newspaper supplements and magazines. Direct mail is becoming an ever more important element in marketing strategy for seeds and bulbs, and even heavy gardening equipment, as major manufacturers are supporting local dealers with substantial mail drops as well as generous co-op allowances.

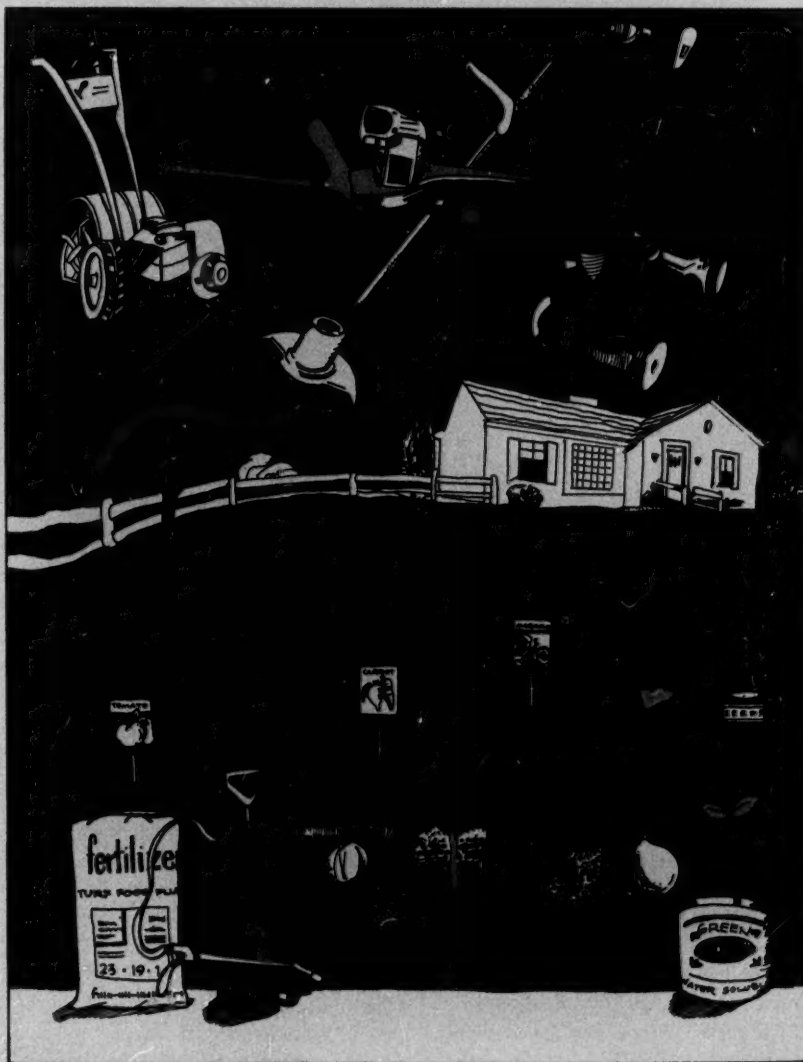
No matter how Dow Jones goes, the grass still grows.

It is to that simple fact that the home garden and lawn maintenance business owes its nearly recession-free performance in 1982, and on which it pins its hopes for 1983.

The largest portion of the consumer market, in the lawn care, back yard gardening market lies in the \$3 billion power equipment segment. This consists primarily of mowers, tractors and tillers. Bill Quin, publisher of *Outdoor Power Equipment*, Fort Worth, says: "1982 was a little better than we expected. 1983 we think will be down one or two percent."

The expected downturn in sales of mowers is posited more on government regulation than the economy or predicted droughts. Last year the Consumer Commission on Product Safety mandated improvements on power mowers that include the installation of a dead-man control. Industry observers indicate the installation of this device on new equipment will raise the price between \$40 and \$75 at retail. This is expected to have an adverse effect on retail sales.

However, the recession has affected the power equipment market much as it does the automotive segments. Service and parts sales are up as many owners decide to repair equipment on hand rather than obligate themselves



DIANE ZATZ



## 1981 media expenditures for garden supplies

## Garden Machinery

| Brand      | Total       | Magazines | Network tv  | Spot tv   | Net radio | Newspapers |
|------------|-------------|-----------|-------------|-----------|-----------|------------|
| John Deere | \$2,582,300 | \$185,900 | \$2,292,900 | \$ 76,600 | —         | \$ 26,900  |
| Snapper    | 5,882,700   | —         | —           | 3,471,300 | —         | 2,139,200  |
| Lawn Boy   | 2,210,800   | —         | —           | 1,671,000 | —         | 539,800    |
| Sears      | 1,736,900   | 99,000    | 1,508,500   | —         | \$129,400 | —          |
| Toro       | 4,988,500   | —         | —           | 2,385,900 | —         | 1,602,600  |

## Seeds &amp; Bulbs

| Brand              | Total     | Magazines | Supplements | Spot tv | Net radio | Newspapers |
|--------------------|-----------|-----------|-------------|---------|-----------|------------|
| Lakeland Nurseries | 2,460,300 | 194,700   | 1,338,000   | —       | —         | 929,600    |
| Michigan Bulb      | 5,797,700 | 126,700   | 3,620,700   | —       | —         | 2,068,300  |
| Zoysha Plugs       | 2,272,100 | 74,600    | 1,459,000   | 5,000   | —         | 733,500    |

## Fertilizers

| Brand             | Total     | Magazines | Network tv | Spot tv   | Net radio | Newspapers |
|-------------------|-----------|-----------|------------|-----------|-----------|------------|
| Jobes Spikes      | 2,636,800 | 263,500   | 1,440,600  | 289,600   | 583,700   | 66,400     |
| Scott's           | 9,277,500 | 510,600   | —          | 7,114,500 | —         | 1,652,400  |
| Oxygen plant food | 1,476,100 | 71,300    | —          | 1,404,800 | —         | —          |
| Miracle-gro       | 1,577,900 | 11,900    | 1,515,000  | 51,000    | —         | —          |

with a major equipment purchase.

Claude Chmiel, editor of *Garden Supply Retailer*, says: "We're in a down economy, and there is the feeling that the industry is skating on thin ice."

While the marketers of gardening tools were holding their own, the seed and fertilizer side of the business was aggressively pressing for a better future. The National Association for Gardening, with considerable support from the Netherlands Flower and Bulb Institute, initiated a "fall is for planting" campaign to encourage a second growing and planting season, and with it, a second retail selling season where traditionally there has been only one.

The tight economy has been of some benefit to seed sellers, according to Bruce Butterfield, research director at the National Association for Gardening. Research carried out by the Gallup Organization finds that 38 million households planted back yard vegetable gardens in 1982 and the year before. Although inflation in food costs has abated, Butterfield claims the recession continues to motivate people to grow some of their own food.

The seed and fertilizer market represents about \$1 billion at the retail

level, according to Wendell Byrnes, editor of *Lawn and Garden Marketing*. It is a market more affected by weather conditions than the economy.

Sales last year in the seed area, particularly grass seed, he says, were up because of a late, wet spring, which was particularly good for grass growing. But the same weather put fertilizer sales down, because people are disinclined to spread fertilizer in wet weather — and in wet weather, the grass grows pretty well by itself.

This year is difficult to predict, he says, both in terms of weather, and other circumstances. With inflation and fuel prices down, he suspects people may be inclined to take vacations they deferred last year. But the state of the economy does tend to further encourage people to do some vegetable gardening in the back yard.

Media expenditures in 1981 and 1982, for power equipment, seeds and bulbs, and fertilizer, ran to about \$100 million. Budgets in the equipment segment were trimmed last year, and expanded in the seeds and bulbs segment — predictable behavior in light of the state of the economy.

The major media for the garden,

lawn and plant care business are spot television, magazines, newspapers and direct mail. The variability of weather conditions dictate a flexible and regional marketing strategy. The measure of available arable land from area to area is, of course, also a factor.

## Power equipment

A flat year is in prospect for garden power equipment marketers, according to trade press observers. And advertising budgets will reflect that expectation, going up slightly from 1982, but not up as much as inflation.

Some marketers feel the business in 1983 will be mostly in replacement sales, as owners of power equipment have made-do with aging equipment in the past two years.

Bill Quinn, publisher of *Outdoor Power Equipment*, who tracks the size of the market, says in 1982, 654,000 riding mowers with under 10 horsepower were sold. He estimates this year's market at about 650,000 units.

The garden tractor market, Quinn says, ran to 146,000 units last year, and this year will probably drop to 140,000 units. Tiller sales last year

were 497,000 and will rise to 500,000 this year, he predicts.

A positive factor influencing mower and tractor sales, Quinn believes, is the expansion of home construction. The 38% increase in 1982, Quinn believes, will have a positive effect on sales, as new home owners get into landscaping.

Media expenditures for garden power equipment declined last year. The LNA nine-month report shows the category down from the same period in

1982, at \$28,192,100 as compared with \$31,427,900 in the same period in 1981.

Major marketers in garden power equipment include Black & Decker, John Deere, Garden Weasel, Snapper, Troy-Bilt, Honda, Lawn Boy, Sears, Homelite and Toro.

Media strategy is seasonal, and largely regional, with spot tv getting the edge over network, and magazines and newspapers being used as supplemental and targeting media. Direct

mail also plays a large role in power equipment marketing, accounting for as much as one third of some brands' advertising budgets.

## John Deere

The advertising planned by the Chicago office of NW Ayer makes the most of Deere's top of the line quality. But that quality image is balanced against a top of the line price. Most Deere mowers sell for over \$1,000, and mowing tractors are in the \$2,000 range.

The strategy for marketing Deere, according to Ayer account executive Rick Hauser, is to encourage potential mower buyers to consider Deere despite the high price. Longevity and durability are prime factors in Deere copy.

The Deere line is not mass marketed; it is sold only through select dealers, and Deere can't be included in the store name.

Consequently, Deere mowers aren't as easily purchased as the Sears garden implement line.

But despite limited distribution, Deere has chosen to put major emphasis on network television.

"We use tv to establish the Deere image in the minds of consumers," Hauser says. "And we use network instead of spot tv to get reach. It fits in with Deere's image as a major corporation."

In so far as mower advertising is seasonal, primarily in early spring, a small budget can go farther than the dollar outlay indicates. In 1981, LNA shows Deere spending about \$2.3 million in network tv.

Magazines, Hauser says, are used "to go after the vertical markets and target more directly to our audience."

Deere also uses a substantial direct mail program, sent out under the imprint of individual dealers, detailing the "spring sale." Deere does the whole mailing for the dealers. It is dropped from one location.

Deere also uses a substantial co-op program in spot tv, spot radio and newspapers.

With direct mail constituting between one fourth and one third of the total budget, the total Deere budget in 1983 will run just over \$4 million, ac-

# Essential Directory for Advertising Space Buyers

The new 1983 Catholic Press Directory is your key to the largest religious group cutting across all segments of the population—North American Catholics, 51 million plus. And it's yours without charge.

178 Newspapers (11 national and 167 regional editions).  
328 Magazines (popular and specialized). Unique editorial styles. Unique readership\*. Individual or group buys.  
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For your **FREE** 1983 Catholic Press Directory call **(316) 766-3400** (9 AM to 5 PM EST) or write on your company letterhead to: Catholic Press Association, 119 North Park Avenue, Suite 401A, Rockville Centre, N.Y. 11570

\*readership surveys available from some individual publications

according to *Decisions* calculations. The '83 budget is up slightly, Hauser says, but even with the increase it won't allow the company to do as much with media as it did in 1982.

### Lawn Boy

At Lawn Boy, a division of Outboard Marine Corporation, a television, print and radio strategy is aimed at a geographically defined market for power mowers.

Chuck Beam, manager, marketing communications, for Lawn Boy, explains that from his company's point of view, the mower market "is a very mature one, and is a replacement market. Awareness is extremely important."

In 1981, Lawn Boy relied most heavily on spot tv (\$1.7 million) and newspapers (\$549,800). Last year, network television was blended in. "The mower market doesn't follow population patterns," Beam explains,

to explain a regional strategy.

"Brand awareness is very important, and that is why we elect to go with spot tv, to get that awareness. Newspapers are a very viable medium for the invitation to buy: they project an immediacy and urgency."

This year, Beam says, the media mix is being expanded to include consumer magazines, which will begin the seasonal blitz on the mower market. A four-color, four-page insert describing the new safety features and high tech production aspects of Lawn Boy broke in March in *Time*, followed by insertions in *Sports Illustrated*, and in April, in *Popular Science*, *Sunset* and *Southern Living*.

Just as the magazine campaign comes to its peak, network television will be added for the month of April. Spot tv also kicks in with a schedule in the most promising and productive markets, in April, May and June. Spot radio also is used on a limited basis beginning in April.

### "Mower market doesn't follow population patterns"

Beam says that radio is used in markets "where drivetime is viable, and on a very selective basis, where the work force, blue and white collar, relies on the auto to get to work."

"The national consumer introduction was preceded with an aggressive February trade campaign to establish a positive mindset for blade control (the safety feature) at the retail level. Our trade campaign utilized direct mail, a 16-page marketing supplement in *Garden Supply Retailer*, a five-page, full-color multi-pager in *Lawn and Garden Marketing*, and two-page spread ads in the February and March issues of *Outdoor Power Equipment*," Beam says.

### Toro

After being nearly wiped out by a lack of snow for several winters, Toro has hit the comeback trail, and is doing nicely now with its combination of mower and snow blower products.

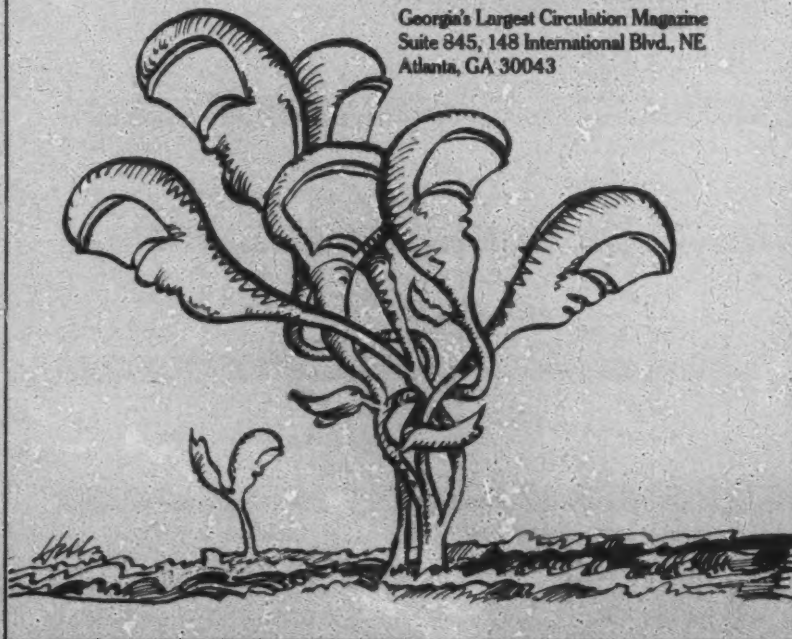
With media expenditures second only to Snapper (Fuqua Industries), in the \$5 million range, Toro uses a vari-

## Go Where The Thumbs Grow Greenest!

Rural Georgia magazine delivers more Georgia gardeners (and at a better rate) than anybody. You get 195,000 "green" Georgia households every month. 91% of Rural Georgia readers own their homes... 58.3% own from 1/2 to 5 acres... 66.4% list gardening as their major outdoor activity! Looking for Georgia gardeners in "Southern Living?" That's fine. But don't stop there. Come to where the thumbs are greenest, with hardly a city slicker, and a startling CPM of only \$9.31! Call today: 404/659-3430.

RURAL  
**GEORGIA**

Georgia's Largest Circulation Magazine  
Suite 845, 148 International Blvd., NE  
Atlanta, GA 30043





ety of co-op programs with its distributors and dealers to develop a strong presence in spot television and newspapers.

While spot tv gets two thirds of the available dollars, Toro is very strong on newspapers, which get the other third. Newspapers are used to reach the 25 to 54 age male audience on weekends, mostly with space in the sports section. But a Toro spokesperson says that the target audience definition is being expanded continually to put more emphasis on women as potential mower purchasers.

"Newspapers are a primary vehicle for us, and are very cost effective," the spokesperson says.

Spot tv, rather than being used to establish or build image, is very product oriented. It's use is tied in with inventory by area, and is used to diminish inventory build-up of product where they develop by area. Spot tv was described as "an active selling medium." Most of Toro's spot announcements run in early or late evening news.

Network tv was abandoned back in the late 1970's because of wastage, and the desire of Toro to take a market-by-market approach. But as Toro improves its position in the market, network tv becomes a probable contender for media dollars.

Toro has experimented with cable tv but, because of inadequate audience data, it takes a cautious view of the medium. Campbell-Mithun, Toro's agency, is currently researching cable for Toro.

Magazine usage is being limited to the trade publications that serve the industry.

## Seeds & bulbs

Unlike the power equipment market, the seed and bulb segment is much more a direct marketing proposition than it is a retail one. People do buy their seeds and bulbs in stores, but many more shop by mail order, using catalogs and magazines.

Consequently, advertising for seeds and bulbs is confined mostly to print. Occasionally, a scant expenditure will find its way into spot tv, but the name of the game here is space — newspapers, supplements, magazines and direct mail for numerous catalogs.

# FINAL MONEY-SAVING OFFERS for Spring Planting!

**An Ocean of Living Color!**

## CUSHION MUMS

**10 for only \$1.98**

Giant basin of flaming color to set your landscape ablaze! These hardy Michigan nursery grown root division perennials come to you in an assortment of vivid, gorgeous colors — reds, yellows, pinks, purples, browns, etc., as available. Normally develop to bushy basket size, each plant drenched with masses of 1-2 inch blooms. 20 for only \$3.95, guaranteed to bloom this season.

**Goodbye To Moles, Gophers?**

## GOPHER PURGE

**\$2.98**

Fact or fiction? As just improved one way or the other, legend has it that Gopher Purge repels burrowing rodents of all types without chemicals or traps. Certainly worth a trial to get rid of rascals who undermine yard and garden!

**All-in-One Carefree Ground**

## CROWN VETCH — 12 for \$3.98

Transforms slopes, banks, troublesome weedy areas into a dense mat of lush green foliage decorated with delicate pink and white blooms. Corolla variety — hardy, reliable, native, free, disease and drought resistant. Blooms June 1st frost.

## CREeping SEDUM

**8 for only \$2.98**

Spreads rapidly in sun or shade, erupts in masses of layered blooms mid-summer to September. Hardy, Michigan nursery grown. Plant 6-12" apart for fast spreading in rock gardens, shady areas, or "trouble spots" where grass won't grow.

**DANIELS**

**8 for \$1.98**

Showering star buds in assortment of pastel colors. From blooming and fast growing, a few direct-by-mail prices! Order today.

## SWEET WILLIAM — 8 for \$1.98

Fancy, ruffled, star-shaped blooms in pastel colors. 12-18" tall. 22" diameter for spring planting. Several colors. 1987 without repotting.

**PRIVET HEDGE**

**30 FEET — \$3.98**

Look them by foot! 75' rooted, certified healthy shrubs made 50 ft. root, dry, compact hedge. 1-2 ft. tall, 1-2 years old. Ship out quickly.

## CREeping PHLOX

**12 for \$2.98**

Hardy, Michigan nursery grown. Plant 6-12" apart for fast spreading in rock gardens, shady areas, or "trouble spots" where grass won't grow.

## GLADIOLUS

**40 for \$1.95**

Another tremendous bargain! Michigan nursery grown. 2 1/2" - 3" tall, all ready to bloom. Little claim this season in a dazzling display of actual colors.

## BEAGON BASKET

**\$2.98**

Perennial Begonia with long, trailing stems. 12-18" tall. 22" diameter for spring planting. Several colors. 1987 without repotting.

## MINIATURE ROSE

**\$2.98**

Close of red or yellow. 12-18" tall. 22" diameter for spring planting. Several colors. 1987 without repotting.

**FAMOUS "NO FAULT" GUARANTEE—Send Today!**

Send today for these amazing money-saving offers for spring planting. Each item we ship is exactly as advertised, vigorous and healthy, tagged for easy identification, well packed for prompt arrival in good condition. If not satisfied on arrival, you may return within 15 days for full refund, including any postage you paid. Any plant that doesn't flourish and thrive, we will replace it free (if your limit). Not available in stores, you must order by mail for these low, low prices. Clip the coupon and mail today!

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CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

Credit Card # \_\_\_\_\_

Exp. Date \_\_\_\_\_

A catalog style page is used by Michigan Bulb Company to encourage mail order. But Michigan spends more in direct mail than prints.

Measurable media expenditures are only the tip of the iceberg here. The \$16 million measured by Leading National Advertisers is anywhere between a third and tenth of what is actually spent in advertising. Direct mail, many houses say, makes up as much as 90% of what is spent in the advertising of bulbs and seeds.

## Michigan Bulb Co.

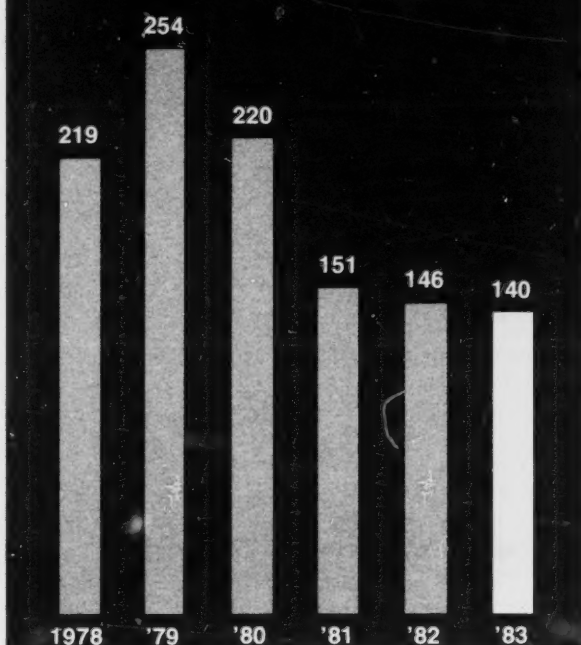
The trend of the direct marketing business toward mail is strikingly evident in the history of Michigan Bulb Co. Although the heaviest space spender in the category according to

measurements by PIB and Media Records, Michigan Bulb is shifting its marketing steadily away from print space to mail.

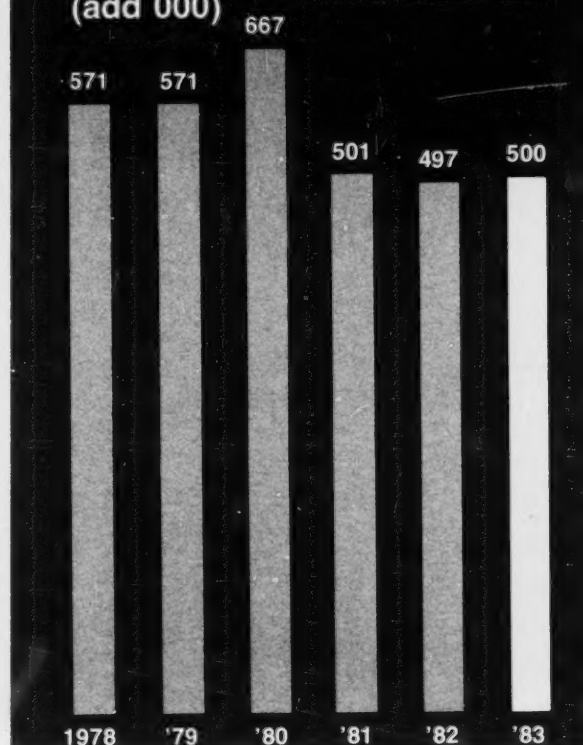
John Littleton, executive vp, says: "In the past 10 years we've noticed a marked shift in the weight of our promotion and advertising. Where previously it was in space, with support in spot tv, it is going more and more into mail."

The major reason for the move to mail has been the increased cost of print. "What has happened is that 10 years ago — where we were paying \$10 to \$14 per thousand for stuffers in newspaper — it is now about \$45 per

## Riding garden tractor shipments (add 000)



## Walk-behind tiller shipments (add 000)



thousand. Back then we could support our print with spot tv in about 35 markets."

In addition to the cost factor, Littleton has found that direct mail pulls better than space ads. "When we test a new ad, we get pull that's 8 to 12% better. But we find that with test mailings we can increase the pull by as much as 22%." The reason, is the improved sophistication of list selection.

He also credits the freedom in copy possible with mail, and the use of a sweepstakes to gain attention. "The effect of a sweepstakes is all in the presentation," he says.

Between cost and effectiveness, Littleton says the emphasis is increasingly shifting over to mail. "If the trend in escalation of cost in print continues, we won't be as prominent in print as we have been."

An example of cost increase he cites is the *New York Times Sunday Garden Section*. "Ten years ago we used to run 20,000 lines a year in the *Times* garden section. Now its down to 1,000 lines a year because the cost over the decade has tripled.

Littleton said Michigan Bulb uses few magazines because the cpm for highly targeted magazines is too high, and the mass circulation magazines, even slanted toward gardening, have too much wastage.

Although Michigan Bulb spent close to \$6 million in print in 1981, it is miniscule compared with its mailing schedule. Two major mailings of 10 million go out a year, plus four to five secondary mailings of 500,000 each.

Littleton doesn't reinforce Michigan's mailings with spot tv announcements because his penetration isn't high enough. He says a 25% penetration is needed in any area to justify the use of spot tv, and his mailings don't get much over 12%.

But despite his strong use of mail and concern over the increasing cost of print, Littleton says the company doesn't plan to abandon print. This year Michigan Blub continues to use *Parade* and local supplements. Currently, Michigan is running a three-page "spread" in supps, the inside and outside back cover as well as the facing page as its major spring thrust.

## Lakeland Nurseries

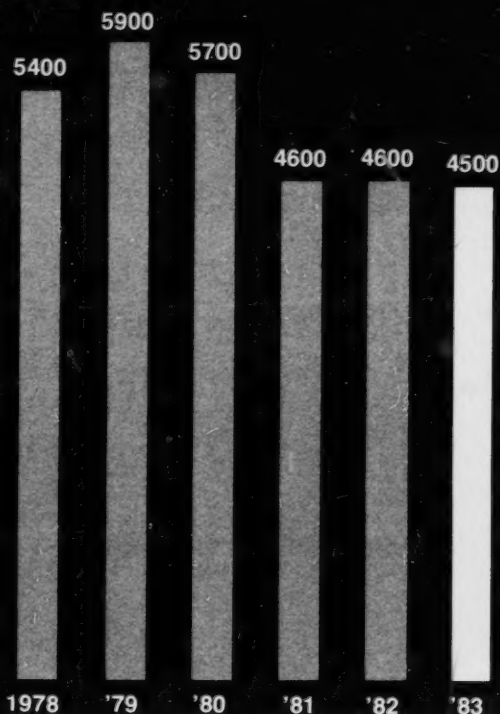
A part of the Hanover House operation, which is a subsidiary of Horn & Hardart, Lakeland Nurseries pursues a marketing and media program similar to that of Michigan Bulb Co.

With expenditures of \$2,460,300 in measured media in 1981, Lakeland Nurseries runs second only to Michigan Bulb. And like the aforementioned, puts the bulk of its advertising dollars into direct mail.

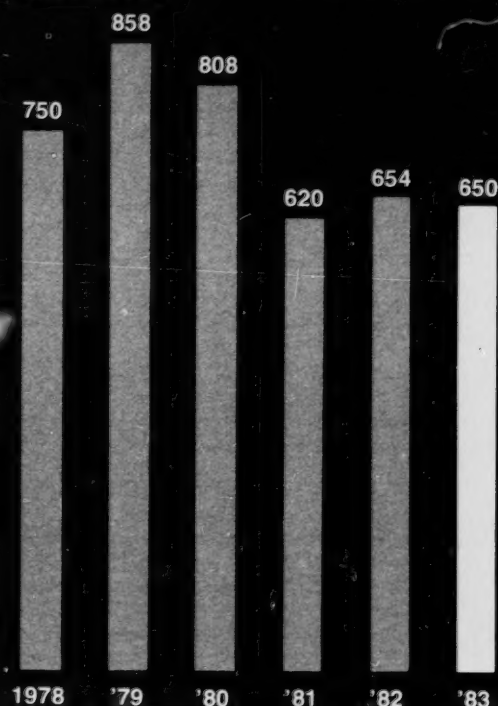
Susan Somerville, media director at Lakeland, explains that 90% of expenditures go to direct mail. The emphasis in media is on national and local supplements. "We generally run a seven by ten inch ad, she says, in newspapers and supps. The exception is the *TV Guide* size ad. Sometimes we'll group them and run two different products on a page."

In print, Ms. Somerville says, "our strategy is to test new products in media we know can sell for us. When we plan our media, we automatically schedule those vehicles that have made money for us in the past.

### Walk-behind powered mowers (add 000)



### Lawn tractors/riding mowers (add 000)



"When we try new magazines, we test with a good running product that is selling well in other magazines," she says.

As for positioning in magazines, like most magazine advertisers, she likes right hand page, front of book, if there hasn't been a cover purchase.

Mail order, she says, makes considerable use of catalog promotion.

### Fertilizers

On the industrial level, the chemical fertilizer business is huge. On the consumer level, for back yard gardens, lawns and house plants, it is a more modest proposition, but still accounts for close to \$18 million in measured media.

Most of the media dollars in this segment go to spot television, close to two thirds of the total. The rest of it is spread among network tv, magazines, newspapers and network radio.

The most ubiquitous presence in the consumer field here is Scott's. With lawn products, fertilizer and weed kil-

ler, Scott covers most of the niches in this market. Scott's spent nearly \$10 million of the \$18 million total for the whole category in 1981.

Other major brands with million plus expenditures were Jobes, from International Spike Co., and Miracle-Gro, from Stern's Nurseries.

Last year was not a particularly good one for the fertilizer and plant food market. Dick Grandy, advertising director at International Spike Co., which markets Jobes Spikes, says: "Last year was the first time the economy affected us. Retailers were forced to cut back inventory, ordered less, and when they did, ordered smaller quantities more often."

But 1983 looks much better. Grandy said that inventory adjustments, catch-up ordering, has already taken place, and a normal year of inventory control and ordering appears in prospect. The only real worry for 1983, as it is any year in the gardening business, is the weather.

International Spike Co., with \$2.6 million invested in media in 1981, proved to be the company with the

most diverse media plan. Magazines, network tv, spot tv, newspapers and network radio were used. Network tv got the heaviest use, with network radio coming in second. Grandy says the use of network radio was a one-shot proposition for a particular product in a particular set of circumstances. "The result was good; we got a measurable response, and you know how rare that is in media planning."

However, the circumstances that justified the use of network radio haven't occurred again, so it wasn't in the 1982 plan, and Grandy isn't saying whether its in the 1983 plan.

By contrast, Scott's is a Johnny-one-note, placing 90% of its media budget in spot tv. But the \$510,000 placed in magazines in 1981 was the largest amount budgeted among major advertisers in the category.

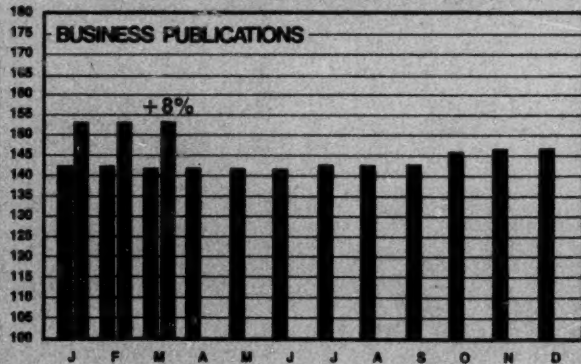
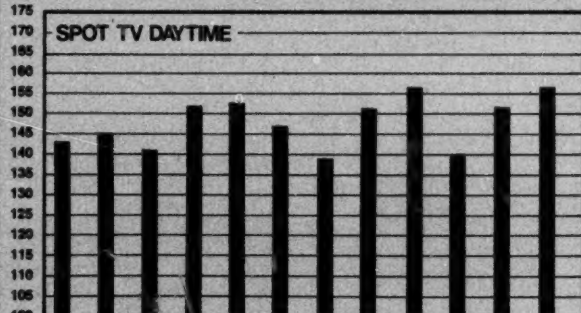
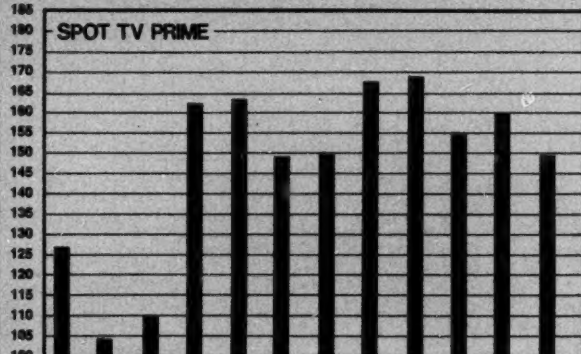
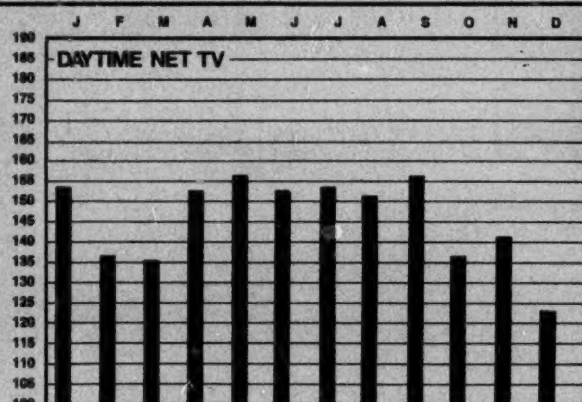
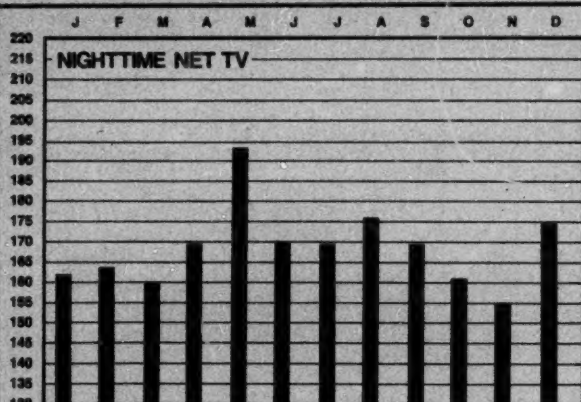
Miracle-Gro, from Stern's Nurseries, put its major emphasis on network tv. Spot tv came in for only \$51,000, and magazines got only \$11,900, while network tv was accounting for \$1,515,000.

Fred Gardner



# MEDIA COST INDEX

Black bars index for 1982; blue bars 1983; base year 1977



The Cost Index moves to the 1983 calendar year with this issue. In most cases comparative data for 1983 is not yet available. But cost data has come in for Supplements, Consumer magazines and Business publications.

As the year started, **Supplements** jumped on the chart from an index of 163 a year ago, to 180 as of January, a 10% increase over the previous 12 months. But since January prices have held the line and even slipped back a point.

The first quarter for **Consumer Magazines** showed some price activity as costs edged up six percent over the previous year, in both January and February.

**Business publications** started the year with an 8% jump and have held steady throughout the quarter.

**Spot tv daytime** ended the year with a dip in October, but returned to last summer levels as the year ended. December of 1982 showed a 10% gain over December 1981.

**Primetime spot tv** bottomed out in December but still came out five percent ahead of the same month the year before.

Trends for **Spot Radio** are being recalibrated for 1982, consequently 1982 activity is not being shown.

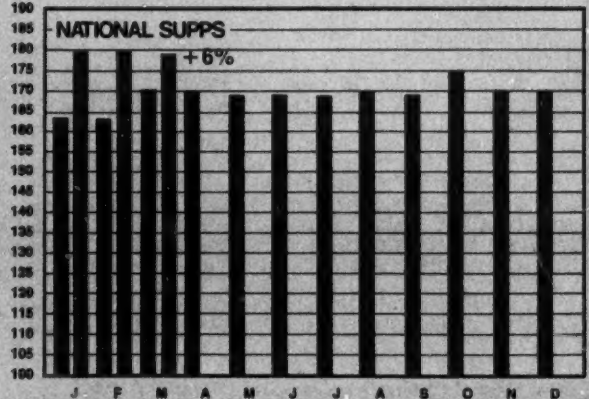
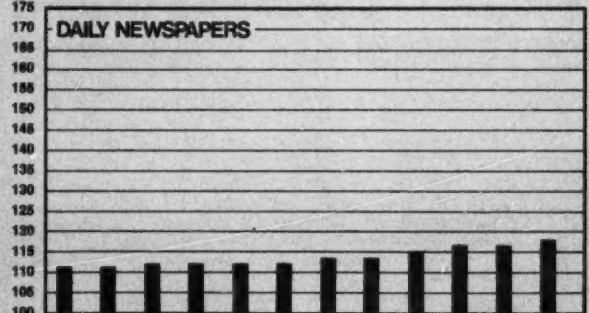
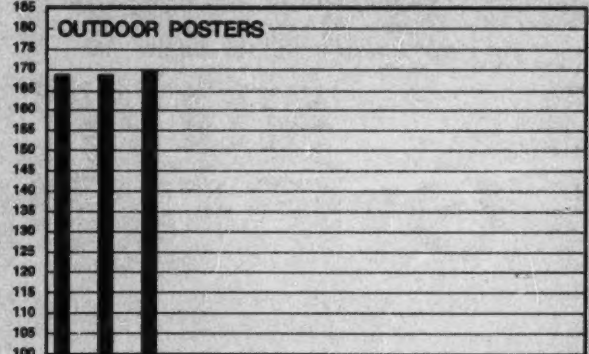
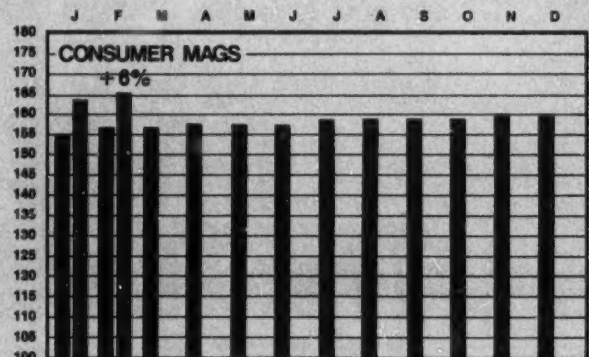
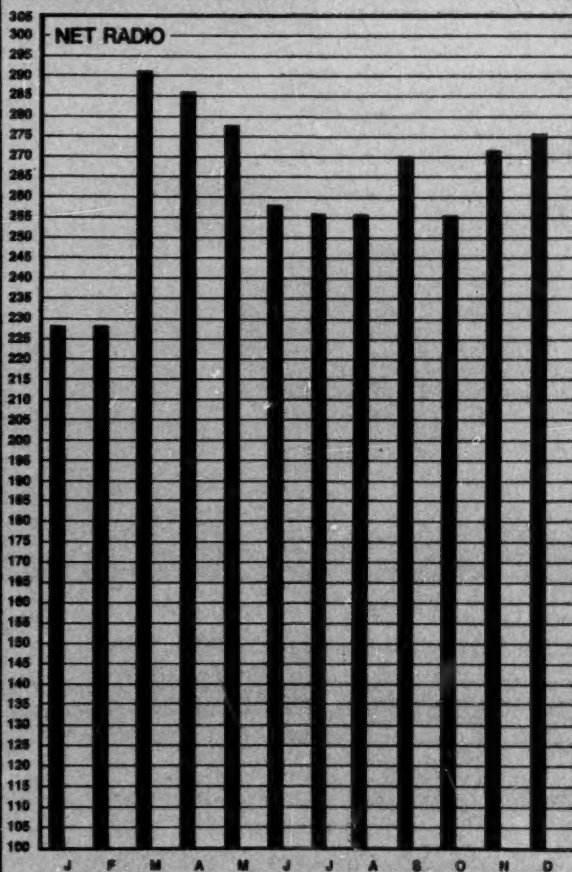
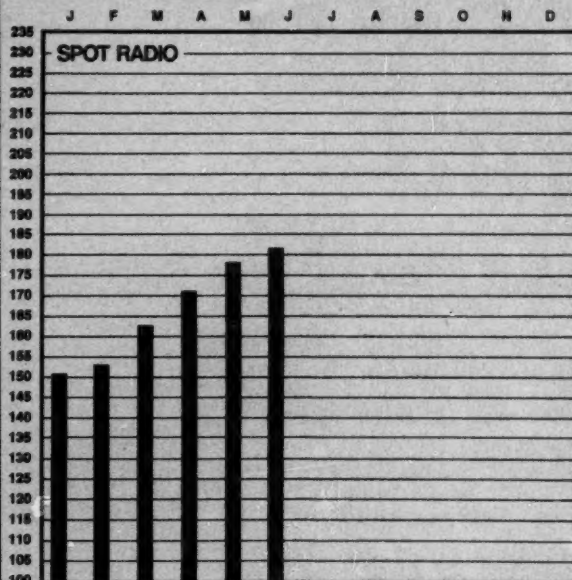
New figures are available for **Newspapers**, and the 1982 figures, showing slight upward activity.

Data for **Outdoor** is also being recalibrated.

The Media Cost Index reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Source: **Nighttime Network TV** — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. **Daytime Network TV** — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. **Network Radio** — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. Spot radio estimates are based on SRDS cost of one minute on one station per market in the top 50 RADI markets. Consumer magazine estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue, as reported by MPA. National Supplements estimates based on reported SRDS cost of page, 4-color for three national supp. Daily Newspaper estimates based on Newspaper Advertising Bureau report of SRDS costs per page line of a stratified sample of 155 newspapers. Business Publication estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. **Outdoor Posters** based on estimates prepared by F.R. Caw & Assoc. HOW TO READ: Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1982; red bars 1983; base year 1977



# MARKETING & MEDIA

# Decisions

C2950-3 5/18/83

**USFL — gain or fumble?**

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**Rebirth of the ARF**

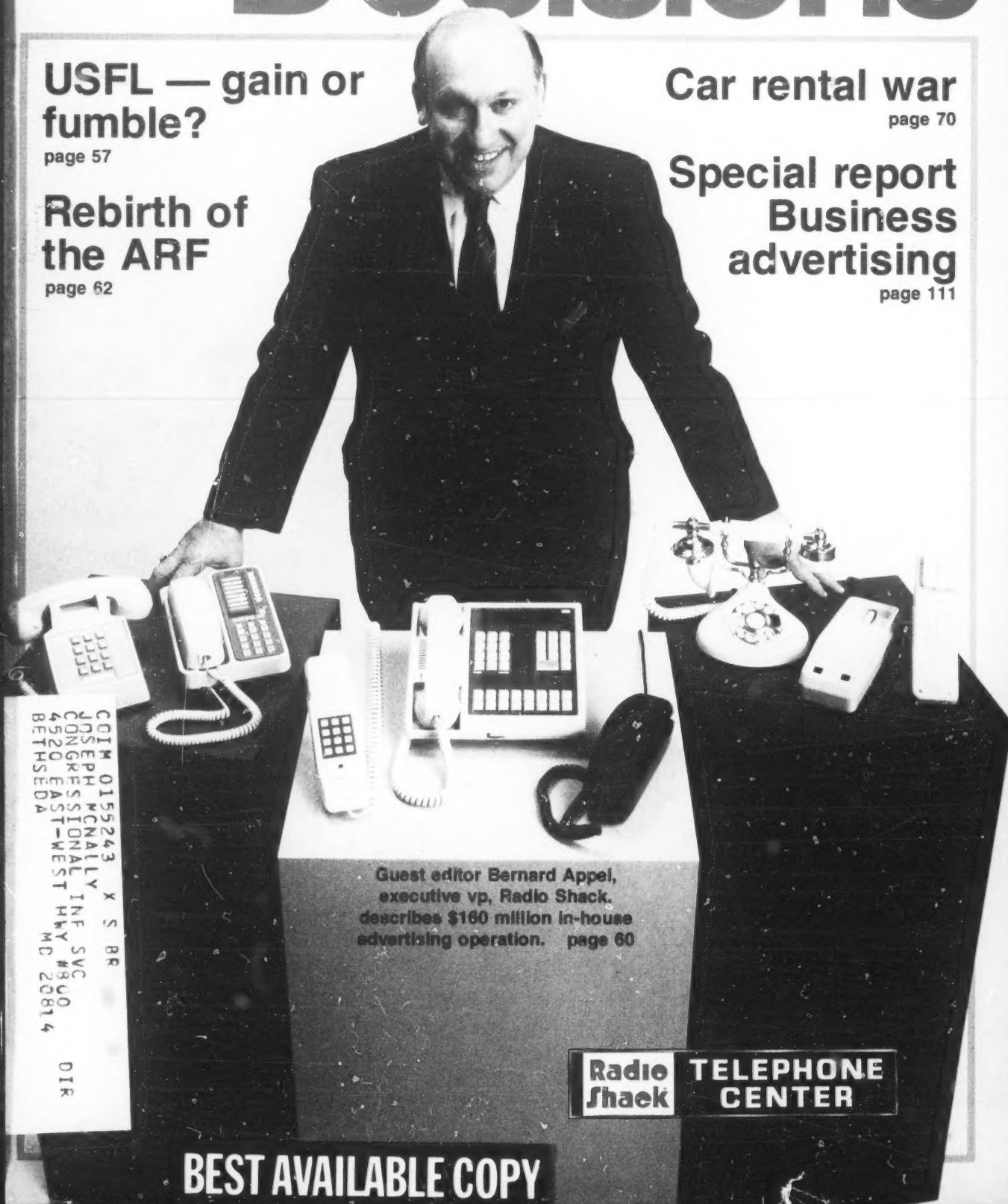
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Business  
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page 111



Guest editor Bernard Appel,  
executive vp, Radio Shack,  
describes \$160 million in-house  
advertising operation. page 60

COIM 0155243 X S BR  
JOSEPH MCNALLY INF SVC  
CONGRESSIONAL HWY #800  
4520 EAST-WEST HMD  
BETHSEDA MD 20814

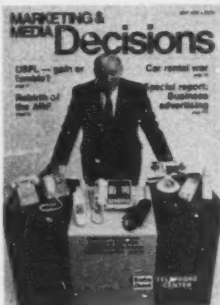
DIR

**Radio  
Shack**

**TELEPHONE  
CENTER**

**BEST AVAILABLE COPY**





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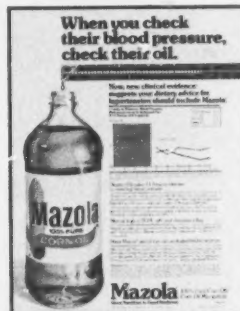
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# Who's buying new cars?

New research indicates that the 1983 car market is moving from mass to class. Still controversial in the automotive marketing community, the research suggests that a more sharply targeted approach is necessary as the \$50,000+ income segment increases its purchasing share from a base that already stands at 18% of families.

## Expected Purchase Price Of Next Vehicle

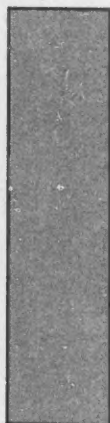
(Median Purchase Price)

\$9,550



OVER  
\$50,000

\$5,570



UNDER  
\$50,000

Once, not long ago, a Rolls Royce was a car many could dream about and only a few of us could own.

Today, many dream about owning a new car, and increasingly fewer people are in affluent enough circumstances to realistically consider buying any new car. The hard reality being faced by Detroit and importers alike, is that the market is shifting away from mass to class.

Increasingly, new car sales are coming from the \$50,000 plus family income segment, while the bulk of the population is being priced out of the market and is as yet, hardly aware of that fact.

Research into the buying plans and price perception about new cars of the general public and the affluent was executed by the Los Angeles firm, J.D. Power, and commissioned by Knapp Publications. It shows nearly 20% of new car purchases coming from the \$50,000 plus segment, and that percentage is likely to increase.

That is an important piece of news to automotive marketers. The advertising and marketing implications are just now beginning to sink in, as greater segmentation possibilities are being pondered by the automotive marketing community.

Although there is some dissenting opinion, generally the Powers research is confirming suspicions held by many

in the automotive marketing community.

Tom Gorsica, manager of consumer research for Ford North America, questions the validity of the information and how it was gathered. "I just don't agree with Powers' conclusions," he said.

But agency executives on automotive accounts contacted by *Decisions* were favorably impressed with the Powers data. Bruce McRitchie, senior vp and general manager of the Grey Advertising Detroit office said, "I think the study is well done and I'm pleased when the media does something that is helpful to us rather than just throw another cocktail party." Others were equally positive in their evaluation of the Powers data.

The Powers research notes that "during the 1979-1981 period, the affluent market purchased vehicles at twice the rate of the under \$50,000 segment. In 1981 and early 1982, this gap widened, with the affluent market buying at a rate of three times the under \$50,000 segment.

"Based on purchase intent, the affluent segment will account for nearly 18% of the new vehicle purchases in the next 12 months, suggesting the increased importance of this segment in recessionary periods."

Another factor is length of car ownership. The Powers research

shows the over \$50,000 segment plan to keep their cars 3.3 years, while the under \$50,000 group plan to keep their present vehicles 4.2 years.

Were the affluent market to remain static, it might not merit much more than passing attention. But in the Powers assessment, the \$50,000 plus segment now accounts for 11 million adults, about 5% of the population. The group has increased 50% since 1978, and is expected to double its present size by 1990. So even in 1983, five percent of the adult population is accounting for nearly 20% of new car purchases. By 1990, 10% of the population could be buying 40% of the new cars purchased in the U.S.

If these prognostications are correct, the thrust and direction of automotive marketing and advertising is about to undergo remarkable and fundamental changes in the remainder of this decade. Mass marketing would occupy a lesser place in overall strategy, and segmented, finely tuned approaches take on much more importance.

The Powers study suggests that "many manufacturers are already focusing new effort on the affluent segment. Yet for many, this market approach is a new concept. The value of affluent purchasing power, combined with their interest in new styling and technology, makes them the principal target of opportunity.

"The affluent have a history of buying cars for more than just transportation." This study confirms that this attitude hasn't changed.

"As a group, they are both powerful and highly visible and have the capability to lead rather than follow. The combination of facts in this research report suggests that the affluent market has become a priority of number one importance."

The key question, is what conclusions automotive marketers and advertisers draw from data in Powers study.

At Ford Motor Co., Tom Gorsica, just doesn't buy the validity of the Powers study. "I think that Powers exaggerates the picture. Our information shows the fall-out from new car purchasing cuts across all income groups. The up-scale purchasers have dropped out as evenly as the low income purchasers

"I just don't agree with Powers'

## DODGE 400 CONVERTIBLE

AVAILABLE FOR IMMEDIATE DELIVERY

We say let the sun shine in with this new and better sort of convertible. Because, at \$9,995, the new Dodge 400 is clearly a most affordable convertible. It offers you more than the sun, with standard features like automatic transmission.

power brakes. All modern power convertible features halogen headlamps, dual remote mirrors and more. **5/50 PROTECTION PLAN.\*** The 400 is all Dodge. Meaning it strikes a proper balance between being both dependable and responsive.

We direct your attention to the fact that the 400, like all Dodges, is backed by our unique 5 year/50,000 mile protection plan. See dealer for details.

**FRONT-WHEEL DRIVE.** Because even sunshine cars are sometimes driven in foul weather, the Dodge 400 delivers the sureness of front-wheel drive traction.

**35 HP [27] EST. 2000\*** The 400 is powered by the very willing Dodge 2.2 liter overhead cam 4-cylinder engine which is backed as standard equipment by our efficient automatic transmission. That makes for a wonderful combination of quickness and respectable fuel consumption numbers: 35 Est. Hwy. [27] EPA est. mpg.

Ah, The Dodge 400. Puffy but prudent and pronounced of all that pop top pizzazz. It'll tickle you. So, to buy or lease a 400, back up and head for your nearest Dodge dealer.

**AMERICA'S DRIVING MACHINES**

\*Sticker price excludes taxes, destination charges, and optional equipment. With 100% 1000 and wheel covers. 10000 miles. Dealer price is different in the states of CA, HI, LA, MD, NY, WA. 100 years 70,000 miles, whichever comes first. Limited warranty on motor body over through and engine and transmission. Deductible may be required. Dealer sets res. mpg. for comparison. Fuel mileage may vary depending on speed, weather and trip length. Actual dry mileage probably lower. CA res. lower.

THE DODGE 400 SERIES

# \$9995.\*

Many potential new car buyers, research shows, don't realize the price of an average car has climbed to \$9,000. Dodge convertible is typical.

conclusions. We draw our information from national probability samples. Powers gets their data from a mail panel. I don't think that's been demonstrated as the best way to do it. Also, Powers' conclusions are loaded with editorial opinion," Gorsica contends.

Consequently, Ford is not honing its strategy in marketing and media to specifically reach the affluent segment, on Powers' say so. But that doesn't mean that Ford doesn't target market.

"The company point of view is to target market as best it can," Gorsica says. "But I'm not aware of any slant to any particular segment based on that segment's buying rate, or any perceived shift in buying patterns."

A more positive view comes from Bruce McRitchie, senior vp, and general manager of Grey Advertising's Detroit office, which handles the American Motors account. "I think the study is well done, and I'm pleased when the media does something that is helpful to us, rather than just throw another cocktail party.

"The Powers study verifies trends that we've been seeing, and the sheer cost of new automobiles indicates that the market is going in that affluent direction. One of the side benefits for us is the comparison of how U.S., European and Japanese cars are viewed, because we handle the AMC/Renault business, and that gives us some confirmation of what we've been seeing there."

Continued on page 146



As for whether the study indicates a change in media selection, McRitchie said because of the skew of the economy, further identification of the target market is helpful.

McRitchie explains, "It certainly helps when you can pinpoint the people who are buying new automobiles."

At the agency for the Japanese import Subaru, the data from the Powers study is welcome, and seen as long overdue.

Terry Bonaccolta, vp, management supervisor at Levine, Huntley, Schmidt, Plapler & Beaver, said they had been thinking about increased targeting to affluents for the past three years.

Terry Bonaccolta says, "I think that document is long overdue. The affluent market has been around longer than we think."

"Three years ago, we said, hey, the affluents are out there."

"Of course, they're not the targets

for Subaru as their number one car, but they are for their second or third car, as a car for a spouse, or for a teen-ager going off to college.

"We've put some of our budget against the affluent segment, with ads in *Fortune* and *Business Week*, and with tv spots in sports and in news adjacencies.

"The major thrust of our effort isn't going there, but we've been increasing the amount of attention we put there every year," she said.

The first signs of the rise of the affluent market, she said, began to show with the 1970 census. "That's where it all started to come into focus, and it appears to be even more so now. The Powers study and everything else we see seems to substantiate that."

Al Steiner, vp, management supervisor on the Volkswagen, Porsche/Audi business at Doyle Dane Bernbach in Detroit, also takes a favorable view of the Powers research, and to some extent is influencing the choice of audience for Audi and Porsche.

"It confirms our notion of up-scale

demographics for Porsche and Audi, and confirms our use of up-scale books.

"It changed our demographic target slightly, and is good for Audi. We're evaluating the data now for Porsche," Steiner said.

The data from Powers is being brought to bear on the campaign for the launch of the Audi 5000 in June. Media for the introduction will be print and television, both targeted primarily up-scale. Television is being limited to spots on a premium tennis event.

But the magazine list will be different this year from its predecessor. "Some of the magazines we used last year won't be used this year, and conversely, we're using some this year that we didn't last year. We'll be in the newsweeklies, but not every one of them will get a schedule. Basically, we've pared back the list. We want frequency and continuity without dilution."

"The Powers data is another tool we can use in decision making."

Fred Gardner

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"The match was won by pointing out that 49.9% of HBR subscribers are chairmen, presidents, managing directors, chief administrators and top managers."



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#### TELEVISION by BETSY FRANK

associate media,  
research director,  
Dancer-Fitzgerald-Sample.



#### How do the networks spell relief?

#### M.I.N.I-S.E.R.I.E.S!

Was it really that long ago? Can it have been a Sunday night January, 1977 when 220 million of us sat down to watch the first episode of "Roots"?

Few will deny that the mini-series was born that night (Purists may argue that the actual moment of birth was a year earlier when ABC aired seven episodes of "Rich Man, Poor Man".)

The excitement and rating delivery of "Roots" was such, however that "Roots" and "mini-series" became almost synonymous from that moment on.

From the beginning, the mini-series was strategy for one network to lure audiences away from the competition. In the simpler days of 1977, that competition was the other two networks.

In 1983, with numerous alternative technologies and programing sources cutting into viewership, the mini-series is now being hailed as a remedy for network audience erosion.

Is it?

Some questions need answering.

1) Does it always work? In the last six years, the mini-series has had its share of highs: "Shogun," "Holocaust," and of course, this season's "Winds of War" and "Thorn Birds" (See Table I.) But, let's not be too quick to forget "Sophisticated Gents," "Studs Lonigan," and "The French Atlantic Affair." (Table II)

Since "Roots," the format has waxed and waned as a part of network schedules. Now with the successes of "Winds of War" and "Thorn Birds," each of the networks is promising us four to six new mini-series next season. But will this be a repeat of 1978-79? Will quality fall as quantity rises? Can rating levels be maintained?

#### \*Mini-Series: The Highs . . .

| Title            | Network | Date     | # Hours | AA%  | Share |
|------------------|---------|----------|---------|------|-------|
| Roots            | ABC     | Jan. 77  | 12      | 45.0 | 66    |
| Thorn Birds      | ABC     | Mar. 83  | 10      | 41.9 | 59    |
| Winds of War     | ABC     | Feb. 83  | 18      | 38.6 | 53    |
| Shogun           | NBC     | Sept. 80 | 12      | 32.6 | 51    |
| How West/Won     | ABC     | Feb. 77  | 6       | 32.5 | 50    |
| Holocaust        | NBC     | Apr. 78  | 9½      | 31.0 | 49    |
| Roots: Next Gen. | ABC     | Feb. 79  | 14      | 30.2 | 45    |
| Pearl            | ABC     | Nov. 78  | 6       | 28.6 | 45    |

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\* A complete drama presented in at least 3 episodes.

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Which brings us to the next question:

2) What do mini-series really do to the network audience? HUTs go up, if a mini-series is special enough to attract non-viewers to the set. For example, the HUT level on Sunday, March 27 (Episode I of "Thorn Birds") was 10% higher than the two previous weeks.

Combined network ratings and shares go up. That same night, the network share was 91%, versus 77 and 81% the two weeks before.

The other two networks lose some audience. We assume that when the HUT goes up on a mini-series night,

most of those non-viewers are watching the mini-series. But the rating increment for the mini-series (over regular programming) tends to be greater than the HUT increase. So it isn't just non-viewers who are boosting the rating; much of the viewing is being redistributed from the other networks.

3) What about the non-network viewers? (More to the point, what about those upscale viewers in pay cable homes?) According to Nielsen's NAD Report, both "Blue and the Grey" and "Winds of War" delivered virtually identical ratings in cable and non-cable homes. (The average

### ... And The Lows

| Title                  | Network | Date     | # Hours | AA%  | Share |
|------------------------|---------|----------|---------|------|-------|
| Sophisticated Gents    | NBC     | Sept. 81 | 4       | 11.1 | 19    |
| Man Called Intrepid    | NBC     | May 79   | 6       | 12.5 | 21    |
| Innocent/Damned        | NBC     | June 79  | 6       | 12.5 | 23    |
| French Atlantic Affair | ABC     | Nov. 79  | 6       | 13.1 | 31    |
| Studs Lonigan          | NBC     | Mar. 79  | 6       | 13.9 | 23    |
| Women In White         | NBC     | Feb. 79  | 4       | 14.0 | 22    |
| King                   | NBC     | Feb. 78  | 6       | 14.2 | 25    |
| Loose Change           | NBC     | Feb. 78  | 6       | 14.2 | 23    |

NTI

### Mini-Series History

| Season  | # New Mini-Series |     |     | Total Hours | AA%  | Share |
|---------|-------------------|-----|-----|-------------|------|-------|
|         | ABC               | CBS | NBC |             |      |       |
| 1975-76 | 1                 | —   | —   | 12          | 27.7 | 44    |
| 1976-77 | 2                 | —   | 1   | 26          | 37.7 | 57    |
| 1977-78 | —                 | 1   | 8   | 59½         | 20.7 | 35    |
| 1978-79 | 3                 | 4   | 8   | 125½        | 20.8 | 33    |
| 1979-80 | 2                 | 1   | 3   | 33          | 18.8 | 31    |
| 1980-81 | 2                 | —   | 2   | 34          | 27.9 | 43    |
| 1981-82 | 1                 | —   | 3   | 24          | 16.2 | 28    |
| 1982-83 | 2                 | 1   | —   | 36          | 36.7 | 52    |

NTI



primetime program underdelivered 15% in cable versus non-cable homes.) This indicates that special programing can attract the viewer who has more options to choose from.

4) Is there a "carryover" effect from a mini-series? Some have argued that once a non-viewer or a non-network viewer has been enticed to tune in for a mini-series, he will stay with the network. (The heavy promotion the networks tend to do during mini-series would indicate that someone believes this.) But is this really what happens? The week following "Winds of War," network share plunged from 88% back down to 81%, and the Thursday after the last episode of "Blue and the Grey," shares dropped back below 80% and stayed there for the rest of the week. So to get back to our original question, are more mini-series really the answer to the networks' problems of erosion? (And the advertisers' problems of underdelivery?)

Yes, if quality remains high, and if they are perceived as special events.

No, if the networks disrupt regular series, the bread and butter of their lineups, for less than spectacular spectaculars. NBC's recent problems may be traced back to concentration on specials and spectaculars at the expense of regular series development in the mid to late 70's.

Yes, if the mini-series can be used to develop longer-lasting programs. For example, "Rich Man, Poor Man" (the mini-series) spawned "Rich Man, Poor Man" (the series). Perhaps the ratings boost of a mini-series can lead to important, *new-yet-pre-sold* vehicles. The mini-series can become the wellspring of new series in the 80's, the way "All in the Family" and "Happy Days" gave birth to new shows in the 70's.

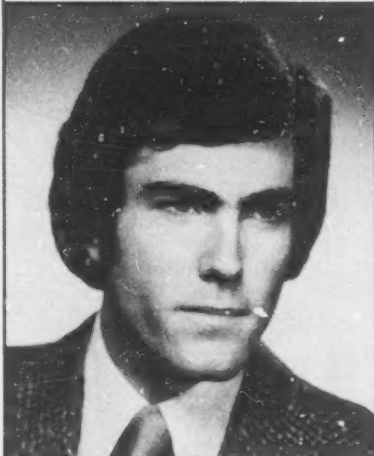
The networks must look upon a mini-series as more than a one-shot chance to boost ratings/revenues, and to promote less attractive upcoming programing.

There are no easy answers to the problems of audience erosion. The development of programing, limited or ongoing, which is perceived to be special or different, can help prevent further losses and perhaps lure new viewers to network television.

## RADIO

by STEVEN SASLOW

account executive,  
Gillespie Advertising - Princeton, NJ.



### Radio sponsorship effective image builder

Let's return to the Golden Age of Radio. Those magical days when programs were created for the "Theater of The Mind." Just like television of today, audiences tuned in to their favorite program but the "picture" was in their minds. These radio programs held consistently loyal listeners captive. For the advertisers the programs became identified with their product or company name as advertising was sold in the form of sponsorships. Nostalgia buffs will recall radio shows like "Johnson's Wax brings you Fibber, McGee and Molly," The Lux Radio Theater and "The Campbell Playhouse."

Sponsorship advertising like the above examples are all but gone today, with one exception. This highly identifiable type of advertising vehicle still exists through most of the radio networks or independent syndicators. It's called feature programing. They come in many forms; one minute daily vignettes, one hour weekly special programs, or weekend only specials. There is a variety of subject matter and music programing to choose from.

Now I am not suggesting that monies be diverted from committed network or spot radio buys, but consider a feature program sponsorship as an addition to your media schedule and as an image building vehicle.

First, select a program that you believe will reach a segment of your target audience. For example, audio products may be a good match for music shows, sports or leisure products for health and fitness vignettes, and "use" products for general interest programs. Next, investigate the show's popularity, the number of stations airing the program, time and day of broadcast, and any available ratings to determine what type of built-in audience you can expect every time the show airs. Finally, find out how well the program is promoted by the local stations and program supplier, all before determining the value of associating your client's name with the show.

These sponsorships can be a very effective form of image building advertising. One of the very best examples in the past ten years is the Earth News Radio Program, one of the most successful syndicated shows. For a number of years the names Earth News and its sponsor, Clairol Herbal Essence and Agree Shampoo were almost synonymous. This ninety-second show ran five days a week, once or twice a day with a tag line intro and outro, and, a sixty-second spot for Clairol. The program/sponsor name association took a few years to develop but, in my judgment, was a great investment for Bristol Myers.

Feature programing can also be an excellent avenue for promoting the sponsor's product. By working in conjunction with the local radio station and retailers in a given market, sponsor, station retailer and program will benefit. All that's needed is a little cooperation from the radio network or syndicator combined with your imagination.

There's a lot of room for creative media buying in today's economy. Take a look at these feature packages offered by syndicators and networks . . . or work to create one, custom tailored for your needs. Either way, it just may be the low cost competitive extra edge you need for your clients. With imagination radio is really red hot, not warmed over. Who among us who enjoyed the Golden Age of Radio can forget the product identification that went with Jack Armstrong, Little Orphan Annie, or Arthur Godfrey . . . "The Shadow Knows."



Photo Researchers, Inc.

# Pet Foods

**There is a new economic realism in the way pet food companies market their brands. Ad dollars are off slightly coupled with a slow-down in introductions. Yet high growth areas continue, among them gourmet pet foods. Pet food marketers, who spend upwards of \$190 million, are looking for ways to cut their television bills.**

**T**he pet food market has turned gourmet.

Dogs and cats are barking, purring and wagging their tails about beefed-up flavors and casserole-type blends.

Their owners, hearts content, are paying premium prices to keep Fido and Tabby in tip-top shape and spirit.

But behind the scenes there's a shadow cast upon pet market land. Marketers are introducing gourmet brands because it is one of the few ways to spur growth in the overcrowded, highly segmented business.

Outside conditions, such as the slowly growing pet population, also

haunt the market. There are some 49 million dogs and 42 million cats in the U.S., but their numbers are not multiplying rapidly.

Within the business, there is heightened competition from generics. They claim almost one-third of unit volume in dry dog food, their strongest category of the business, according to John Maxwell of Lehman Bros. Loeb Research. Generics account for 20% of dry dog food measured by dollar volume.

Products without names could grab more of the market. Although premium brands are selling well, brand

|                  | 1st 3 quarters | 1981         | 1980        |
|------------------|----------------|--------------|-------------|
| Cycle            | \$7,702,100    | \$8,743,200  | \$6,881,800 |
| Gaines           | \$8,711,400    | \$11,067,200 | 18,140,200  |
| Cat Chow         | \$9,096,500    | \$6,060,000  | 8,348,500   |
| Dog Chow         | 6,847,200      | 5,942,500    | 2,869,400   |
| Mainstay         | 3,028,200      | 11,237,000   | 349,800     |
| Thrive           | 7,399,000      | 10,300,500   | —           |
| Kal Kan (canned) | 7,785,400      | 8,567,000    | 7,857,900   |
| Kal Kan (dry)    | 6,961,100      | —            | —           |
| Kibbles N'Bits   | 5,572,900      | 7,251,900    | 18,100      |
| Tender Chunks    | 2,177,700      | 4,430,700    | 14,071,100  |
| Milk Bone        | 4,666,400      | 6,317,200    | 5,911,400   |
| Gravy Train      | 6,752,100      | 11,570,500   | 3,678,200   |
| Top Choice       | 111,100        | 11,570,500   | 3,678,200   |
| Chuck Wagon      | 5,941,700      | 7,000,300    | 2,622,600   |
| Puppy Chow       | 6,297,900      | 5,902,100    | 900         |
| Tender Vittles   | 5,168,600      | 5,836,400    | 6,124,900   |
| Meow Mix         | 6,125,700      | 6,054,100    | 4,654,200   |
| Come N Get It    | 3,485,600      | 6,694,000    | 4,318,300   |
| Friskies         | 3,422,700      | 2,898,600    | 2,051,000   |
| Chef's Blend     | 3,561,300      | 4,670,700    | 4,420,900   |
| Mighty Dog       | 3,813,900      | 4,761,500    | 3,540,900   |
| Alpo             | 7,276,200      | 13,264,500   | 10,337      |

But pet food marketers in recent years have become more astute and rational. Following a three-year period in which every marketing muscle was flexed to generate growth through product launches, hardship has be-



That point hit none other than the



leader in the business, St. Louis-based Ralston Purina. Ralston had been launching a new brand once every two months. In laying out ad dollars to successfully roll these brands nationally, Ralston figured that it could steal support funds from already established brands.

But sales for its popular brands, Dog Chow, Chuck Wagon and Puppy Chow, slid. And Ralston, which dominates the market with 29% of sales, lost almost one percent of its share.

It was only about one year before Ralston caught its breath long enough to think through the emerging situation. In quick form, Ralston ushered its proven brands into the advertising spotlight, and just as quickly, gained more than its lost market share.

An interesting, opposite lesson can be had in Kal Kan. The Los Angeles based company has pulled away to fourth place from ninth in market share in less than 10 years by faithfully supporting long-term brand winners.

"We have always focused on our core brands and we have never introduced a product that the market doesn't need," says Ed Conn, vp-marketing and sales at Kal Kan.

While Kal Kan has promoted canned pet foods, most of the competitors have concentrated on building sales of dry pet foods, which are more convenient to use and cheaper than canned foods. Measured in dollars, dry pet food growth has been substantial, up by as much as 23% in 1981 in cat foods.

Since the Ralston experience, there have been fewer attempts to divide brands into tiny volume pieces through segmentation, and more efforts





industry-wide to build upon sales of basic brands within a company's group.

What new product action there is concentrates on better-tasting pet foods, especially prevalent in cat foods, and on size varieties.

Although pet food marketers continue to spend heavily to build up brand awareness and preference, there is a tighter purse string on ad dollars. Last year, the industry spent \$5 million less than it did in 1970 and 1980 and the same as it did in 1981.

Not only are the strings drawn more tightly because the market is becoming saturated with new products but also because marketers are worried about the rising cost of television. They are beginning to seek out television alternatives, mainly magazines and newspaper supplements, but so far none have been willing to give up television's powerful draw.

"We are trying very hard to keep our budget increases down," says F. Lee Zingale, media director at Ralston Purina. "We put a limit on spending last year and we kept with it."

"We are looking into ways to control the cost. We are conducting some research into print buys. We are already big in print but we do not spend a large percentage of the budget in print," he says.

Zingale says that Ralston's media department is working with ABC to examine new ways of buying television more efficiently and cost effectively.

"We are looking at shows aimed at more selected targets and we are looking at qualitative versus quantitative ways to buy television," Zingale notes.

Ralston, which has advertised on

## LEADING PET FOOD COMPANY'S MEDIA EXPENDITURES

|                           | 1981       | 1980       | 1st three quarter 1982 |
|---------------------------|------------|------------|------------------------|
| Ralston Purina            | \$62,948.2 | \$77,480.4 | \$61,011.9             |
| General Foods             | 36,213.5   | 31,578.2   | 14,626.9               |
| Carnation                 | 22,427.6   | 21,480.2   | 13,578.2               |
| Alpo (Grand Metropolitan) | 13,890.6   | 8,408.4    | 11,690.5               |
| Quaker                    | 11,692.5   | 14,781.0   | 7,755.9                |
| Mars (Kal Kan)            | 14,751.8   | 11,654.3   | 18,905.1               |
| Heinz                     | 10,789.4   | 10,014.8   | 9,934.7                |
| Nabisco                   | 6,628.8    | 10,014.8   | 4,858.2                |

cable for three years, is also "going for a larger buy" this year, according to Zingale.

In addition, Carnation has shifted funds from network to daytime because of the rising cost of television.

"We can buy daytime more efficiently because our target is the housewife who buys pet food," says Robert B. Funkhouser, vp-advertising at Carnation.

But the television buys are still wasteful, he says. "We are advertising pet foods as though they were a mass product but the number of households who own a cat is less than 25% and the number who own a dog is less than 50%," Funkhouser says. "It's like selling diapers. There are only a limited number of people who buy and you have to advertise year round."

A third advertiser, Alpo, also is troubled by the rising cost of television while viewership declines.

"With cable proliferation, it becomes more difficult to reach our target. We are examining tv alternatives every year," says Tyrone Allen, senior product manager for Alpo canned products.

"Tv is still the most efficient way to reach our target but this year we have decided to go into print with more frequency," Allen says, noting that the schedule includes six time insertions in *Tv Guide*, *Woman's Day* and *McCalls*.

"No single medium can zero in on pet food owners. We use print as a reach extender," he notes.

Although Kal Kan has explored superstations, cable and women's service magazines, this year it dropped one alternative women's book.

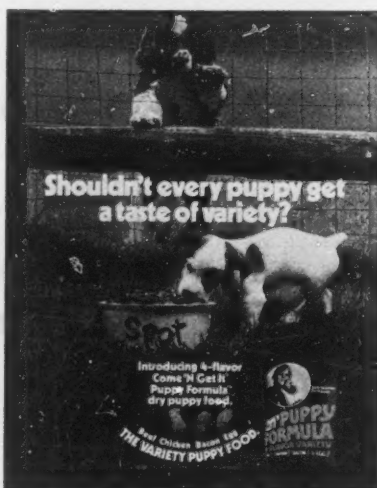
"Tv has major benefits that are hard to beat. The tv budget was up in 1982 and up again in 1983 - more than inflation," says Mike Nelson, marketing director for cat food.

Kal Kan's Ed Conn, vp-marketing and sales, adds that "while ad costs have gone up we have tried to spend more efficiently without sacrificing quality."

He says Kal Kan is targeting to the working woman, by shifting funds from daytime into prime and late fringe.

## Ralston Purina

Ralston has come to the rescue of its three most popular dog foods, Dog



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World Book & News; 1652 No.  
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#### DETROIT

Little Professor Book; 22174 Michigan  
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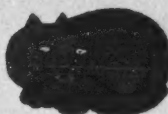
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# The Crave Guide To Cat Body Language.



I'M CLEVER



I'M PLEASANT



I'M HONEST



I'M LIKEABLE



I'M SORRY



I'M A TIGER



I'M EMOTIONAL



I'M GRACEFUL



I'M CONTENTED



I'M SOMEWHAT ALOOF



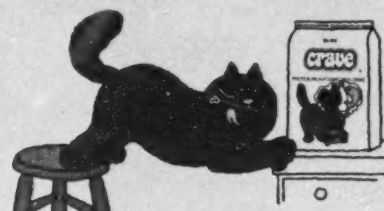
I'M DEMONSTRATIVE



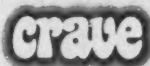
I'M LEAVING



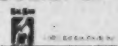
I'M HOPEFUL



I'M INVENTIVE



**PROTEIN-RICH FOODS CATS CRAVE.**



**Kal Kan reminds consumers just how cute their cats can be.**

Chow, Chuck Wagon and Puppy Chow, which suffered large sales decreases after their ad dollars were raided during 1979 and 1980.

To offset the cost of the rescue plan, the company has chopped ad dollars for Mainstay, a dry food launched in 1979 and has dropped ad support for Moist & Chunky, a 1978 counter to Quaker Oat's highly successful Tender Chunks.

Ralston's focus on established brands versus new products has proven the right tactic. After losing almost one

percent of its market share, Ralston has recovered its lost ground and then some.

Ralston Purina's track record has been much improved of late in the cat food category. Ralston's strategy is to continue to propel this fast growth.

The company has increased ad budgets substantially for Meow Mix and Cat Chow, Ralston's best sellers.

In addition, Purina has spurred further growth in the category by launching Thrive, a dry cat food which provides "unsurpassed nutrition."

## PET FOOD MEDIA EXPENDITURES 1981

| total                   | magazines    | supps       | net tv        | spot tv      | net radio | outdoor   | newspapers  | spot radio  |
|-------------------------|--------------|-------------|---------------|--------------|-----------|-----------|-------------|-------------|
| \$188,900.6             | \$13,087,700 | \$1,775,900 | \$134,622,200 | \$30,127,000 | \$311,900 | \$121,500 | \$8,853,000 | \$1,491,100 |
| 1st three quarters 1982 |              |             |               |              |           |           |             |             |
| total                   | magazines    | supps       | net tv        | spot tv      |           | outdoor   | newspapers  | spot radio  |
| \$150,779,300           | \$10,507,600 | \$1,677.5   | \$99,931,500  | \$31,227,900 |           | \$118,200 | \$6,811,400 | \$623,400   |

### Carnation

Led by heavy sales of Come 'n Get It, rolled out in 1980 with a hefty ad budget, Carnation has been able to knock General Foods from its second place position.

Carnation supports the brand with a \$6 million ad budget, and recently has introduced a puppy flavored addition to the product's four-flavor blend.

Mighty Dog, Carnation's canned dog food, is positioned directly against Kal Kan's better-selling canned entry. Mighty Dog's message is simple: "three out of four dogs prefer Mighty Dog to Kal Kan." Mighty Dog's ad budget is approximately \$5 million. The media buys for the brand include one of the few uses of outdoor.

"We have tried outdoor in Southern California to see the impact it can have over a relatively short time," says Robert B. Funkhouser, vp-advertising. "Outdoor has worked well for us because the message is simple."

Carnation also has introduced a



**Selling pet food is a bit like selling diapers, says Robert B. Funkhouser, vp-advt. Carnation.**

gourmet cat food, Fancy Feast to add to "significant position in dry cat food, one of the most rapidly growing categories," Funkhouser says.

Carnation's popular Friskies, however, has suffered large sales declines within the last two years. Mindful of the loss, Friskies ad support has been stepped up.

Two other cat foods, Chef's Blend and Fish Ahoy, on the market for up to four years, also are facing declining sales.

### General Foods

This large marketer's corner on pet foods unfortunately belongs to the moist dog food category, the only segment not growing.

Sales for Gaines and Top Choice General Foods' moist product, were flat during 1981. Top Choice, during the first three quarters 1982, was barely advertised. Ad support for

Gaines, while still large at \$8.7 million for 1982's first three quarters, has declined from a high of \$18 million in 1980. The decrease is attributed to Gaines Complete, a market-sensitive, lower-priced brand.

But Gravy Train, which competes against several popular Ralston brands, has been on a sales escalator. It is aided by \$11.5 million for the first three quarters 1982.

General Food's Cycle, a product which has attempted to segment the market by providing four formulations keyed to life stage diet needs, also is proving to be a winner.

Cycle saw rapid growth after its 1978 introduction, and continues to perform well with ample advertising support.

### Kal Kan

Led by increased sales for canned pet foods, Kal Kan has jumped to a coveted number four position in the market, surpassing Quaker Oats.

Kal Kan marks yet another mile-

**"Dogs love real beef. That's why they love ALPO."**

"Every dog's a natural-born beef eater. Beef has the taste they love and the protein they need. And beef is where a balanced diet begins. That's why every can of ALPO Beef Chunks Dinner is packed with this much real beef."

Give the dog you love the real beef he loves. Give him ALPO.

After all, dogs don't thrive on love alone."

**ALPO** With all the good dogs love to eat.

© 1982 ALPO - Purina Company, Inc.

**Alpo sells beef contents.**

**RECOMMENDED 6 TO 1 BY VETERINARIANS**

**Original Blend**

**Cat Chow**

**THE GOOD FOR YOUR CAT CAT FOOD.**

© 1982 Purina Company

**Purina's position is premium.**



stone this year, becoming the leading canned marketer in the business, according to Ed Conn, vp-marketing and sales.

Despite its success with cans, Kal Kan is not ignoring the dry category's larger sales. It is pouring increased support behind Mealtime, a dry dog food. This April, it rolled out nationally, Crave, a dry cat food that Conn says is "a long-term winner."

Kal Kan's canned cat food has become "one of the fastest growing brands," says Mike Nelson, marketing director for canned products. "It has become number two in its category, replacing Friskies on a pound basis."

But Nelson says Kal Kan has not topped Friskies on a dollar basis because the brand is less expensive.

Kal Kan is not turning down the fire despite its recent successes. While many competitors cut advertising slightly last year, Kal Kan increased its budget to nearly \$19 million for the first three quarters 1982, the highest increase of any pet food marketer.

### Quaker Oats

Tender Chunks and Kibbles n' Bits have paved Quaker's rapid growth in dry dog food, which went from nowhere to a 6% share of the market, according to the company.

Quaker claims, additionally, that Kibbles n' Bits which last year rolled out nationally, is the most successful new dry dog food ever introduced.

The brand is also notable for creative strategy developed by J. Walter Thompson, which has managed to repeat the brand name to the point of tedium during 30-second commercials which run primetime, day and fringe.

The shouting is about the product's features, the first dry product with dual components.

Although the brand's ad budget of approximately \$7.2 million is small compared to many leading brands, Kibbles n' Bits commercials have ranked extremely high for memorability.

As Quaker has been putting the finishing touches on its recently launched brands, unit volume and ad support for the established Ken-L Ration line, which includes both moist and canned entries, have suffered.

The company says this decline is intentional.

### Alpo

Alpo has gained control of one of the most important subsegments in the business, canned dog food. Its leadership has been extremely strong, but Alpo's share of the market is slipping. General Food's Cycle has taken business away from Alpo as has Kal Kan.

Alpo has been able to build up its franchise, however, by promoting the brand's all beef contents.

Although canned dog foods sales have been growing only modestly, Tyrone Allen, says Alpo should con-

tinue to prosper because the brand is made from beef, "a dog's natural food," and because "our dog foods taste better."

### Heinz

Heinz' popular 9-Lives, shows solid growth in all three varieties, canned, dry and moist. Such gains have come despite only modest brand ad budget increases. 9-Lives maintains sales leadership in large volume canned cat food sales. 9-Lives dry faces stiff competition from Ralston's more popular brands, Cat Chow and Meow Mix.

Heinz strong position in cat foods shadows its two dog food brands, Jerky Treats and Meaty Bones, aimed at fast-growing sales snack dog foods. Meaty Bones is a new competitor in the category.

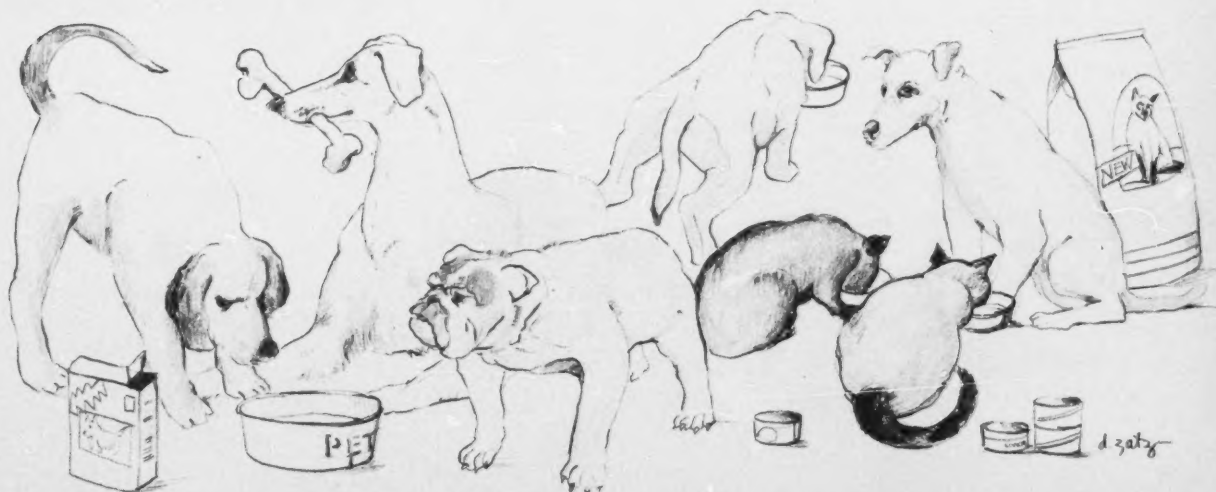
### Nabisco

Offering stiff competition to Heinz dog snacks are Nabisco's Milk Bones and Butcher's Bones, a 1982 national introduction.

Butcher's Bones competes with Milk Bone as a dog biscuit with meat chips. Since its October 1982 national roll-out, Nabisco has spent \$3.2 million to support the brand.

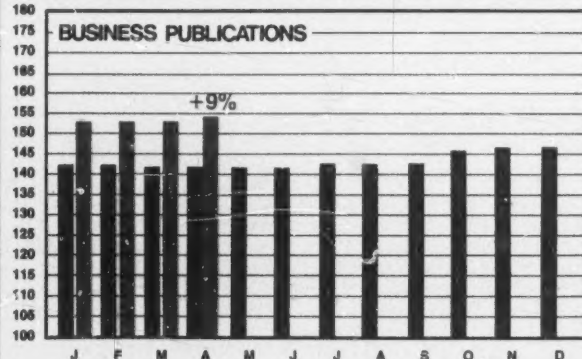
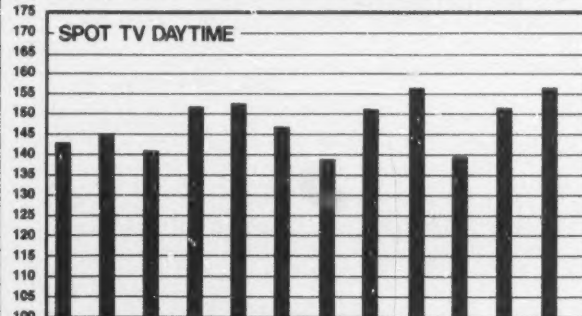
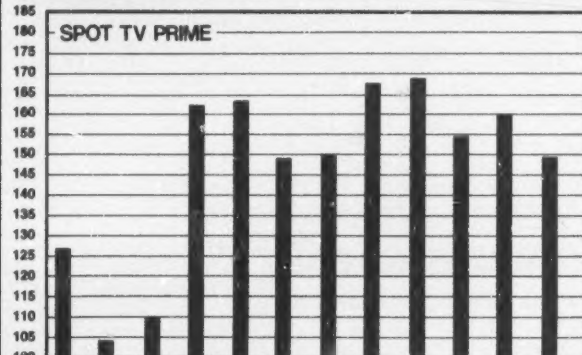
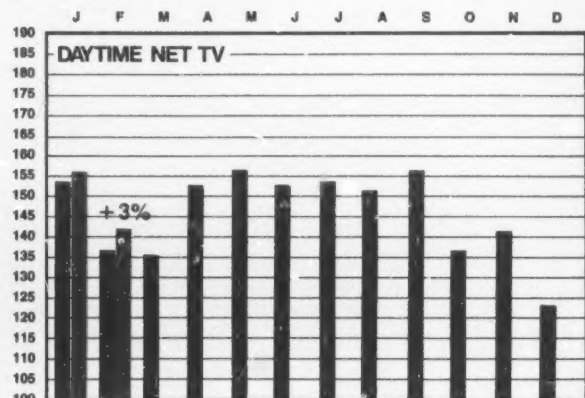
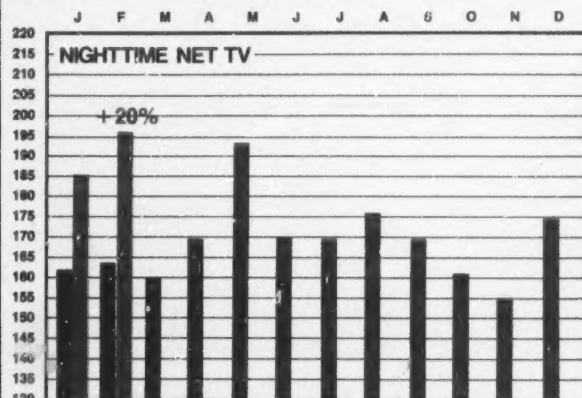
The new brand has not overshadowed the older brand, Milk Bones, which last year maintained a large budget of \$5.6 million.

*Rebecca Fannin*



# MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977



The Cost Index shows comparative data for nighttime network, daytime, net radio and daily newspapers, however spot prime, daytime, and radio are still unavailable.

Nighttime net shows solid growth over the last two months, partly a reflection of high up-front prices realized last summer. Not reflected in the chart however, is the pervasive softness that has gripped prime time recently. The net scatter market overall during the last two months has priced substantially lower than what up-front boded last year.

Contrary to the story on the chart for nighttime gains, daytime hikes have been negligible. Median inflation over last-year-same-time is only a scant two per cent.

Consumer magazines and newspapers are relatively flat, registering no gain this quarter. Business publications show a slight increase. Supps, however, showed strong gain during the month of April.

The big story on this month's chart is net radio. Growth in January zoomed 33% over 1982 and February likewise revealed solubrious gains.

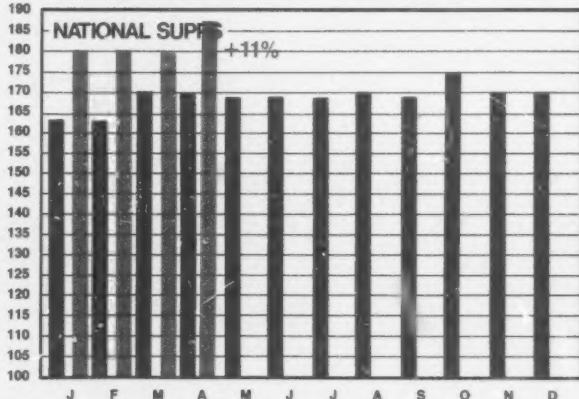
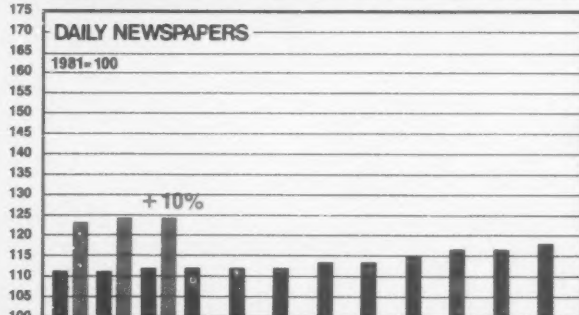
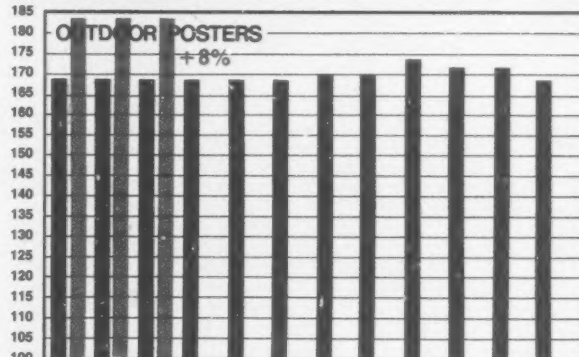
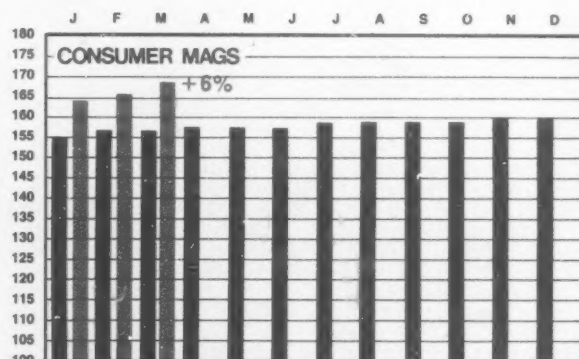
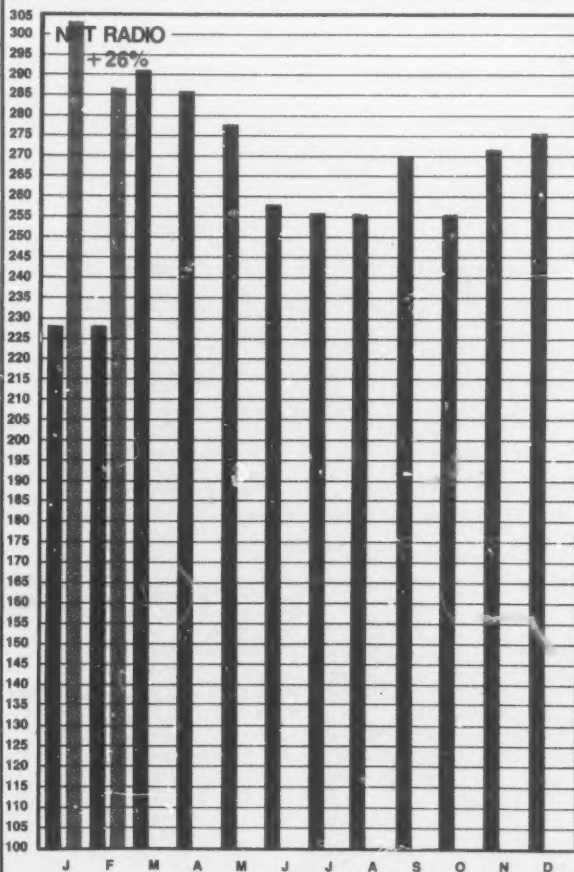
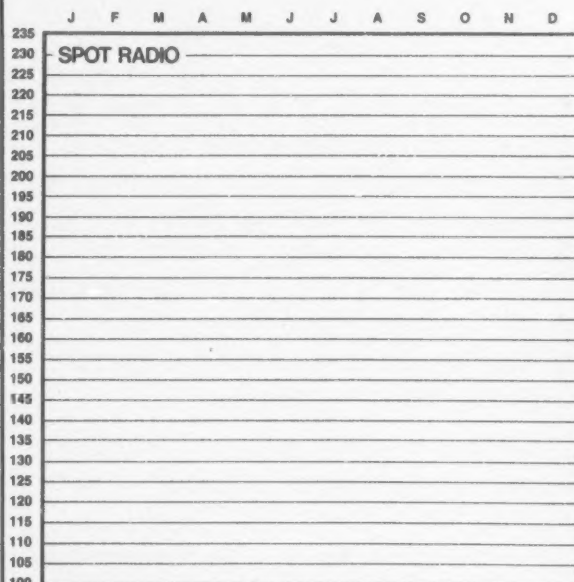
Outdoor registered eight percent price gains — reflecting overall inflation.

Spot radio trends are being recalibrated for 1982, therefore '83 activity is still unavailable.

The Media Cost Index reflects reported trends extracted from available published sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled. Sources: Nighttime Network TV — cost per average 30-second spot 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Report Network TV Service. Daytime Network TV — cost per average 30-second spot 10 a.m.-4:30 p.m. Monday-Friday from Broadcast Advertisers Report Network TV Service. Network Radio — cost per average 30-second radio announcement from Broadcast Advertisers Report Network Radio Service. Index 100 for Nighttime network tv, daytime network tv and network radio are for each month in 1977. Spot radio estimates are based on SRDS cost of one minute on one station per market in the top 50 RADI markets. Consumer magazine estimate based on reported SRDS cost of page, 4-color in 40 national consumer magazines based revenue, as reported by MPA. National Supplements estimates based on reported SRDS cost of page, 4-color for three national supps. Daily Newspaper estimates based on Newspaper Advertising Bureau report of SRDS costs per agate line of a stratified sample of 155 newspapers. Business Publication estimates based on reported SRDS cost of a page, 4-color for 48 magazines representing 42 business and professional classifications. Outdoor Posters based on estimates prepared by F.R. Cawf & Assoc. HOW TO READ: Media Cost Index reflects latest available cost compared to base of average year 1977. Percent change reflects annual rate of change and is based on latest available month costs compared to same month in previous year.

# MEDIA COST INDEX (continued)

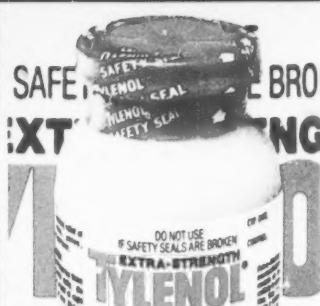
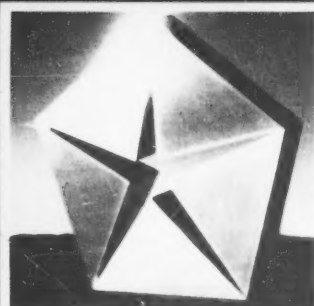
Black bars index for 1982; red bars 1983; base year 1977





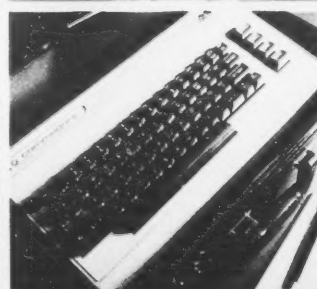
# MARKETING & MEDIA **Decisions**

Spring 1983 • \$3.00  
Special Issue



## 15 TOP MARKETING SUCCESSES OF 1982

AR OLD No. 7 PURE LINCC





## CONTENTS

# 15 TOP MARKETING SUCCESSES • 1982



### Automotive • Chrysler Corporation

After three down years that threatened the company's very existence, Chrysler Corporation, under the direction of Lee Iacocca, returned to the ranks of the profitable in 1982. High gas mileage, front wheel drive cars gave Chrysler lots to talk about.

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**27**



### Beer • Lite from Miller

Seven years after going national, Lite from Miller continues to build market share and in 1982 claimed close to 10% of U.S. beer sales. Media continuity and the use of humor have been the key facets in a drive that helps Lite outdistance the competition.

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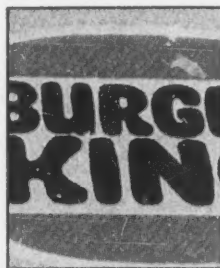
### Computer Games • Activision

Activision built its market share to a substantial 15% in 1982, not only by stressing the challenges of its computer games but by tapping the enthusiasm that game players have for the creators who design them, in television and magazine advertising.

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**57**

## CONTENTS

(from 1)



### Franchising • Burger King

Burger King, the regal entry in the fast food field, blitzed the competition last year with head-on challenges to McDonald's and Wendy's. The battle was enlivened by a suit brought by McDonald's which called attention to the fast food business.

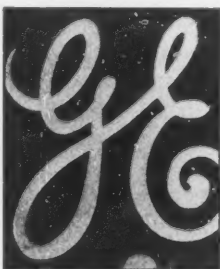
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### Health & Beauty Aids • Maybelline

It's no easy job maintaining and building on the second place share in the mascara market. Maybelline manages very well with a sensible, non-seductive approach to eye beauty, protecting its 25% share. Introduction of Rich 'n Gentle added momentum.

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**77**



### Appliances • General Electric

General Electric may bring good things to life. It does so with an umbrella campaign that has won fresh recognition for each item in its product line. Not content to stand pat in 1981, GE added a consumer information center to field complaints and provide answers.

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### Insurance • Prudential

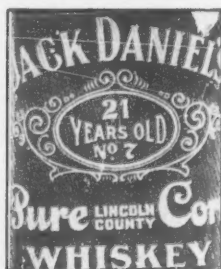
Not content with selling a piece of the rock, Prudential has added real estate services and financial planning through the Bache Halsey brokerage house. But Prudential hasn't let its grip as leader in the insurance market slip, as its revenue gains demonstrate.

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## CONTENTS

(from 4)



### Liquor • Jack Daniel's

Jack Daniel's moved past long time category leader Jim Beam to become the top selling bourbon in the U.S., and built its sales by 4% last year. That success rests on a 25 year campaign that features the lore of the distillery and of its locale, Lynchburg, Tennessee.

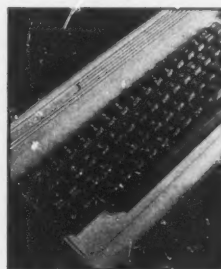
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### Packaged Foods • Del Monte

Hypertension, high blood pressure, has been a growing issue to the layman. In 1982 Del Monte decided to do something about it, with a line of no-salt vegetables. The innovation is complementary to Del Monte's low-sugar canned fruit product line.

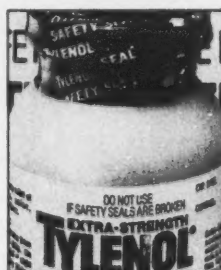
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### Personal Computers • Commodore

The \$300 price barrier for a color graphic generating personal computer was broken last year by Commodore and the industry reacted. By offering high-tech at a low price, Commodore continues to be a maverick in this highly competitive, growing field.

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### Pharmaceuticals • Tylenol

Johnson & Johnson faced a crisis in 1982 when tampered-with product created public mistrust of packaging safety. Johnson & Johnson's trigger quick reaction prevented a catastrophe which could have decimated Tylenol's leadership position.

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## CONTENTS

(from 6)



### Soft Drinks • Seven-Up

Even after being purchased by Philip Morris, Seven-Up dropped market share and lost the number three spot among carbonated soft drinks to Dr Pepper. Last year, Seven-Up Company hit upon a golden issue and painted the absence of caffeine as a health benefit.

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**137**



### Tobacco • Marlboro

The nation's best selling cigarette moved to within fractions of having 20% of the U.S. market in 1982. Even from the number one spot Marlboro continues to grow because of the inherent strength of its macho campaign that evokes a positive, consistent image.

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### Travel • Hilton Hotels

By becoming America's "business address," Hilton Hotels have held their position in a very down year for the travel industry. Hilton also makes a strong pitch for the overseas traveller visiting the U.S. Business person approach continues to appeal.

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**155**



### Wearing Apparel • Maidenform

Despite a flurry of protests from feminists, Maidenform makes further inroads in the lingerie business. Two campaigns in 11 years that present the lingerie on stylish women in tasteful surroundings have given Maidenform women and product a continuity.

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vanced game wizardry in his creations; Steve Cartwright (*Megamania*) actually depicts comic scenes in his work.

Such distinctive idiosyncracies plug into Activision's marketing efforts in a very elemental way: "It's a statement about a game to say it's designed by Alan Miller," claims ad director Chip August. "It's a very powerful selling tool."

Names of designers are parlayed into advertising messages while packages plainly state the creator's name. "Only recently did we incorporate the names into the advertising," says Janowski. "As a result, consumers ask, when is David Cartwright's next game coming out? We found out from listening that this was something they were very interested in."

Product quality and designer names tie-in to a very elemental force behind Activision's marketing effort, word-of-mouth: "A very big part of our marketing plans and programs is how to generate that word of mouth and how to get good word of mouth advertising," says Janowski.

The power of word-of-mouth shows in one instance. "Pitfall" was in the stores one week and we knew we had hit," says Andrea Benjamin, director of product publicity. "This was before advertising came out. It indicated that word of mouth was important."

## Different Bullseyes

What Activision's quickly found out during its short history is that each

### Who got Activision's 1982 ad dollars?

|            |              |
|------------|--------------|
| Magazines  | \$ 2,200,000 |
| Net tv     | 11,300,000   |
| Spot tv    | 15,300,000   |
| Net radio  | 1,000,000    |
| Spot radio | 220,000      |
| Supps      | 1,000,000    |
| Newspapers | na           |
| Total —    | \$31,000,000 |

game has a different audience and a different appeal. The overall market is broad enough — men, 14 to 35 — but the distinctions within it are significant. As such, each game has its own special marketing plan and advertising campaign — again, the comparison

with the record industry is apt. "Each title is basically a new product and for each one you must develop a new plan — because there is often a different audience for each." Adds Mainero, "we're not marketing video games, but individual releases."

To contend with this multi-level marketplace, the marketing department has borrowed heavily from the record and publishing industries. The market plan begins with the designer: a potential game is turned in, the marketing team mulls over it, (there are two product market heads, Janowski, who has a heavy research background, and Mike Piacentini, who hails from the halls of P&G and Clorox). "Mulling" in this instance means playing: questions asked — who will like this game? what is its complexity? is it humorous or straight? fast-paced or thoughtful?

Meanwhile "editorial development" works on the game's image with the designer. Much like an editor working with his or her pool of writers, the "editor" at Activision, Thomas Lopez (also an alumnus of JWT/San Francisco), works with his designer on the look of the game, how it should be positioned, what the actual package should look like.

Once these details are hammered out, the game goes back to marketing

## GOLF MAGAZINE

**TIMES MIRROR MAGAZINES**

POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF  
380 MADISON AVE. NEW YORK, NEW YORK 10017

## EQUIPMENT

### More Editorial

In 1982 Golf Magazine carried 35% more equipment editorial pages than Golf Digest.\*

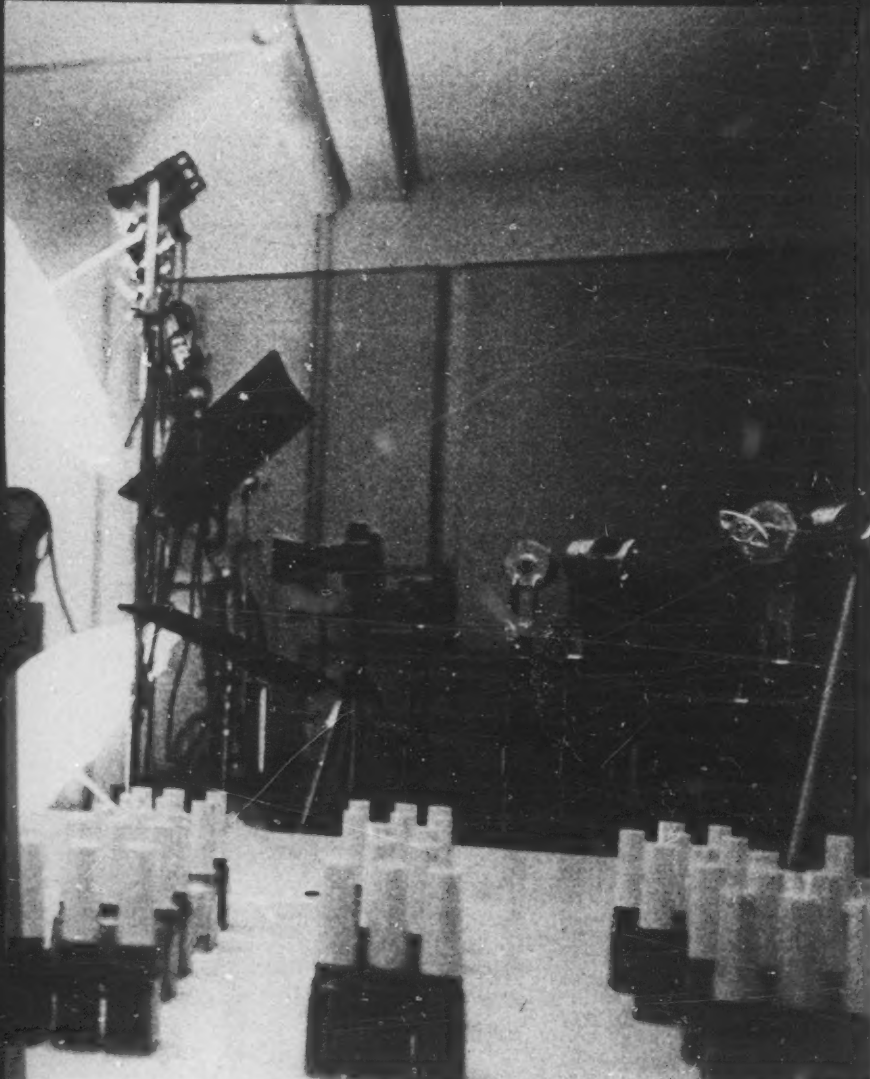
### More Ad Pages

7 out of the top 10 equipment advertisers ran more pages in Golf than any other golf publication.\*\*

\*Source: Hall's Editorial Report year end 1982

\*\*Source: Hall's Magazine Report year end 1982





◀ Lynne King, account supervisor at Maybelline's creative agency, Ted Bates, takes an active role with the brand's numerous product lines. Here, she checks copy in a photo shoot featuring finger nail polish and hand care lines.

Maybelline continues to show healthy growth despite several slow-downs, he says, because "we pay close attention to the consumer. Once we believe we understand what women want in eye makeup, we strive to produce it, advertise it and make it available at sensible prices."

But Maybelline's other magic potions are sealed tight.

#### Maybelline's 1982 media expenditures

|              |                     |
|--------------|---------------------|
| Magazines    | \$9,892,100         |
| Net tv       | 15,570,000          |
| Spot tv      | 2,531,000           |
| Spot radio   | 300,000             |
| <b>Total</b> | <b>\$28,293,100</b> |

Source: Leading National Advertisers, Media Records, Radio Expenditure Reports.

"Maybelline talks to real consumer benefits. And it knows the right products that make it legitimate," King points out.

"For example," she adds, "Maybelline doesn't sell makeup to make your eyes look wide-set and green.

"What it does talk about is the product's attributes. Maybelline has introduced an eye shadow," she notes, "called Colors that Cling."

"That is a brilliant marketing idea. The product says exactly what it says it will do - stay on," King observes.

"This is a new idea for cosmetics," she notes, adding that "everyone is doing it to some degree now."

Similarly, Maybelline advertises other products as not only looking good, but being good.

Maybelline claims in print ads that

other eyebrow pencils are withered, creased and worn out by noon but that its "eye writers" work an eight-hour day. And it notes that Fresh Lash mascara not only stays waterproof, smearproof and even sleep-proof but does so over a 24-hour period. In addition, Maybelline claims its best-seller mascara gently conditions the lashes.

The person most widely credited for developing this novel approach to marketing cosmetics maintains a low profile at Maybelline headquarters in Memphis, Tenn.

David Brittain formerly was the vice president of marketing. He was rewarded for his creative and organizational brilliance by stepping up into the role of presidency, a position he accepted in 1976.

Brittain says he can't say more because the competition has its ear to the ground.

As a final note, he adds that Maybelline will be glad to be quoted if it can think of a way to talk to the consumer.

However, some vital Maybelline practices can be traced without the benefit of an interview: its single-minded approach to reasonably priced, quality products and its appeal to the broadest segment of the female market.

By contrast, Revlon and Max Factor have fragmented the women's cosmetics market.

Revlon's Ultima Line is the up-scale brand, Revlon is the mass product and Natural Wonder concentrates on youth appeal. Max Factor's Maxi

agent and paid him well," said Melone, who before joining Prudential in 1968 was an associate professor of insurance at Wharton School at the University of Pennsylvania. A member of the Board of Directors of Prudential Property and Casualty, Melone has conceptualized a formula for improving each agent's production record.

Melone, who enjoys the "fun and frustration" of implementing management strategies, sees personal computers becoming a key agent tool to not only illustrate how policies would affect each insured, but also to pinpoint new prospects. Word processors, he adds, can become invaluable aids in developing a large volume of promotional letters.

Melone also singles out new product introductions, effective money management, efficient distribution and generation of a common sense direction as major areas of strategy.

"For every move that I make, the agent is wondering how that fits into the day-to-day operation," Melone says.

One of Prudential's secrets to success is marketing to groups typical of the business, Melone claims.

"We have always had a different mix from most other companies. We are selling in the homes of lower income people. And while others have focused on the male breadwinner, we have been selling almost one-third of

our policies to women," says Melone. "Other insurers typically sell 15% to women."

Of Prudential's 25,000 agents, some 19,000 sell to the middle income group.

Prudential also has approached advertising strategies in a unique way. More than ten years ago, the life insurer laid out carefully defined adver-

#### Prudential's 1982 media expenditures

|              |                     |
|--------------|---------------------|
| Magazines    | \$ 2,617,900        |
| News supp    | 41,000              |
| Net tv       | 14,829,900          |
| Spot tv      | 2,358,100           |
| Newspapers   | 181,500             |
| Outdoor      | 3,900               |
| <b>Total</b> | <b>\$20,032,300</b> |

Source: Leading National Advertisers, Media Records

tising objectives. Although the strategy was initiated by Henry Arnsdorf, vp-advertising in the late 60's, the goals remain current.

In addition, Ted Bates, which Arnsdorf selected from a competition among 20 ad agencies, remains a key agency partner.

Connie Sartain, currently vp-advertising at Prudential, underscores the value of the principles Arnsdorf worked out, which are:

1. To promote an awareness among the public about Prudential and the financial security needs which its insurance and equity products satisfy.

2. To create a preference for Prudential and its representatives when a buying decision is reached.

3. To provide a positive motivation for the field force which helps overcome the negative atmosphere in which it operates because of the public's psychological resistance to life insurance.

4. To project a unique personality for Prudential as a sensitive and socially conscious institution which serves the public interest even beyond its insurance and investment operations.

Prudential has evidence that at least the awareness goal has been met. In a measurement of the effectiveness of the angel's campaign, last year Opinion Research Corporation asked 1,000 consumers which life insurance they remembered seeing or hearing about. 47% said they remembered Prudential's advertising. The year before when the angel's campaign was in its second year only 40% named Prudential.

Management too, is apparently convinced that the advertising team has a

# Popular Science

**TIMES MIRROR MAGAZINES**

POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF  
380 MADISON AVE. NEW YORK, NEW YORK 10017

Popular Science readers have been involved with "How-To" since "Hints on House-Building" appeared in the May, 1872 issue — 111 years ago.

That's why Popular Science readers are better prospects for "How-To" products.

The ads are placed in business magazines, general consumer books, video game books, educational magazines, hobbyist and science publications.

The original campaign for the 64 was "What nobody else can give you at twice the price." However, since prices are constantly changing and the slogan is no longer accurate, that campaign has been changed.

A new campaign plays up the fact that a recent price drop to \$400 puts the 64 in the home computer segment. Ads announce: "Now the 64 is a home computer."

Cooperate advertising accounts for about 20% of Commodore's total ad budget and the company provides newspaper and radio spots for merchandise credit.

#### Software availability

Since most of the 64's users are computer literate, in addition to working with available software for the machine, they also create their own.

According to Tomczyk, Commodore offers a wide variety of software for the 64 which was developed by a coalition of artists, musicians and programmers. He claims that the result of the company's efforts to offer a complete selection of programs has generated interest from computer hob-

| Commodore 1982<br>Media Expenditures*                                                                                    |              |
|--------------------------------------------------------------------------------------------------------------------------|--------------|
| Magazines                                                                                                                | \$1,408,000  |
| Network tv                                                                                                               | 8,306,100    |
| Spot tv                                                                                                                  | 5,815,200    |
| Newspapers                                                                                                               | 79,900       |
| Spot radio                                                                                                               | 2,200        |
| <hr/>                                                                                                                    |              |
| Total                                                                                                                    | \$15,611,400 |
| <small>* 5-media totals compiled from Leading National Advertisers, Media Records and Radio Expenditure Reports.</small> |              |

byists and programmers.

However, according to Clive Smith, senior analyst for the Yankee Group, "I would say that there is a shortage of software available for the 64 in comparison to what is available for the Atari."

Although there is a fair amount of third party software available for the 64, it's not very well known, nor is it widely distributed.

To remedy this problem, Tomczyk notes that Commodore is in the process of setting up a software division, which he will be responsible for, along with other key executives.

According to Smith, "Commodore knows how to produce good performance machines at an extremely com-

petitive price. They're also widely distributed and have a good range of low cost peripherals."

However he notes that Commodore's other current weakness is that its two leading machines have incompatible formats.

He explains, "You can't run VIC-20 software on the 64. There's a weakness in breadth as well as depth when it comes to software and that's an issue Commodore will have to overcome."

Another problem industry observer Smith alludes to is that Commodore alienated a number of its specialty computer store dealers by expanding into mass distribution. The specialty stores have higher cost margins than mass merchandizing outlets. As a result they get undercut quite frequently by mass merchandisers on pricing.

One industry expert who prefers to remain anonymous chides, "Commodore made a very specific commitment to its dealers that it would keep the 64 solely in retail distribution until the end of 1983, it was on that basis that they accepted the product. Six months later Commodore reneged on their offer and started selling the 64 in places like Toys R Us, K-mart and a wide variety of other merchandising outlets."

# Popular Science

**TIMES MIRROR MAGAZINES**

POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF  
380 MADISON AVE. NEW YORK, NEW YORK 10017

Popular Science readers have been involved with science and technology since "Action of Dark Radiations" appeared in the June, 1872 issue — 111 years ago.

That's why Popular Science readers are better prospects for products of science and technology.



**Winter Range Vest**—Sometimes cowboys are not in town when the time of a vest. A vest like this helps keep them warm, dry and safe. Nylon range leather and steel lining for warmth. The collar buttons up the entire front. Color: saddle tan. Long sleeves. \$6.95, \$90.00 each.

**Cowboy Belt**—Thick leather belt, 1 1/2 inches wide. The buckle is solid brass, the cowboys are made in a wide range design. Sizes: small (30-34), medium (34-38) and large (38-42). \$17.00 each.

**Hunting Bag**—4-point Hunter—Cowboys on the western range, when they're ready, will tell you that this bag is the best. The Hunter's Bag comes in good for quality for more than 100 years. 100% wool, 72 inches wide by 90 inches long. \$65.00 each.

**Western Shirt**—Warm and rugged, in the traditional western cut. 80% wool for protection against sun. 20% polyester for easier washing. Each pocket has a button. Sizes: small (14-16), medium (16-18), large (18-20) and extra large (22-24). \$4.00 each.

**The Marlboro Saddle**—Made for Marlboro by the famous Western saddlemaker J. R. Serrano. It's the cowboy's constant companion—the first thing he puts on in the morning, the last thing he takes off at night. Made of solid leather. Sizes: small, medium, large and extra large. \$65.00 each.

**Riding Glove**—Top grade leather, with four layers, enough to prevent rope burns when cowboys are working stock. Natural color. Sizes: small, medium, large and extra large. \$1.00 per pair.

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

Marlboro uses a mail order country store insert in magazines not so much to sell merchandise as to create greater reader involvement in its advertising. Marlboro brand manager Bob Roper believes if readers spend more time with the Country Store catalogue, the advertising has served a useful purpose.

## Media expenditures in 1981 of leading cigarette brands

| Brand                               | Total         | Magazines    | Supps        | Newspapers   | Outdoor      |
|-------------------------------------|---------------|--------------|--------------|--------------|--------------|
| Barclay (E.own & Williamson)        | \$107,779,000 | \$38,255,000 | \$11,840,000 | \$18,679,000 | \$34,910,000 |
| Merit (Philip Morris)               | 75,228,000    | 20,747,000   | 3,568,000    | 38,133,000   | 12,780,000   |
| Winston (R. J. Reynolds)            | 67,655,000    | 20,545,000   | 2,919,000    | 29,171,000   | 15,020,000   |
| Marlboro (Philip Morris)            | 59,356,000    | 27,037,000   | 1,305,000    | 16,731,000   | 14,283,000   |
| Vantage (R. J. Reynolds)            | 58,393,000    | 19,787,000   | 3,680,000    | 28,514,000   | 6,412,000    |
| Kent (Loews)                        | 55,276,000    | 13,257,000   | 7,100,000    | 27,369,000   | 7,550,000    |
| Salem (R. J. Reynolds)              | 48,811,000    | 13,146,000   | 1,913,000    | 22,311,000   | 11,441,000   |
| More (R. J. Reynolds)               | 44,106,000    | 12,607,000   | 2,545,000    | 24,000,000   | 4,954,000    |
| Benson & Hedges<br>(Phillip Morris) | 35,871,000    | 19,485,000   | 4,800,000    | 7,032,000    | 4,554,000    |
| Now (R. J. Reynolds)                | 35,002,000    | 12,300,000   | 4,622,000    | 18,025,000   | 55,000       |
| Camel (R. J. Reynolds)              | 34,269,000    | 8,917,000    | —            | 14,566,000   | 10,786,000   |
| Virginia Slims (Philip Morris)      | 31,523,000    | 16,923,000   | 3,308,000    | 6,464,000    | 4,828,000    |
| Carlton (Amer. Brands)              | 30,397,000    | 11,747,000   | —            | 10,321,000   | 8,189,000    |
| Cambridge (Philip Morris)           | 24,542,000    | 7,548,000    | 2,435,000    | 13,382,000   | 1,177,000    |
| Newport (Lorillard)                 | 20,310,000    | 6,053,000    | 247,000      | 6,070,000    | 7,940,000    |
| Kool (Brown & Williamson)           | 19,886,000    | 10,167,000   | 1,317,000    | 4,821,000    | 3,581,000    |
| Triumph (Lorillard)                 | 17,032,000    | 8,857,000    | 629,000      | 4,340,000    | 3,206,000    |
| True (Lorillard)                    | 15,782,000    | 5,267,000    | 907,000      | 5,409,000    | 4,299,000    |

Sources: LNA/BAR; Media Records.

*Reader's Digest* on smoking and health, which signaled the beginning of trouble in public perception of smoking for the whole industry.

In response to that, Marlboro offered a filtered cigarette, presented on the merits of rich, full flavor. And about the same time, 1958, Marlboro branched out in its packaging to a soft pack.

The ad theme at this time was men relaxing, in television, radio and print, and vocalist Julie London contributed to the creation of mood. Roper explained, "Our idea is to sell flavor, regardless of the type of packing."

At that time, athletes were featured in "settle back" ads, among them, Charlie Connerly, Jon Arnett, Tom Harmon, Don Hudson, Frankie Albert and Paul Hornung. But with the careful realignment of the Marlboro Man's presentation, Roper notes, "we kept coming back to one image — the image that seemed to best convey the masculine power of the Marlboro Man: The American Cowboy."

In PM's telling of the history of the brand, by the early 1960's, he represented something stronger than when portrayed in their early advertising. He was more than just a masculine symbol with an heroic occupation, he represented a spirit and the American frontier. Philip Morris had made him bigger than life.

So out of that collection of mas-

## MARLBORO 28 YEAR SALES GROWTH

|      |        |
|------|--------|
| 1955 | 5.90   |
| 1956 | 14.30  |
| 1957 | 19.60  |
| 1958 | 21.00  |
| 1959 | 20.60  |
| 1960 | 22.00  |
| 1961 | 24.10  |
| 1962 | 25.00  |
| 1963 | 25.41  |
| 1964 | 24.72  |
| 1965 | 27.10  |
| 1966 | 31.40  |
| 1967 | 34.37  |
| 1968 | 39.27  |
| 1969 | 44.09  |
| 1970 | 51.37  |
| 1971 | 59.32  |
| 1972 | 69.82  |
| 1973 | 78.82  |
| 1974 | 86.14  |
| 1975 | 91.38  |
| 1976 | 94.21  |
| 1977 | 96.90  |
| 1978 | 101.01 |
| 1979 | 103.84 |
| 1980 | 109.59 |
| 1981 | 114.77 |
| 1982 | 119.64 |

Cigarettes in billions

Source: Maxwell Report.

culine types, test pilots, deep sea divers, etc., the cowboy became the Marlboro man. Along with him came another concept, that of Marlboro Country. There, says Roper, "He became a more powerful visual symbol."

The Philip Morris position on the role of the cowboy and his turf contends that "words were unnecessary because the visuals had a poetry of their own. The cowboy's quiet self-confidence and the rugged beauty of his country portrayed a simplicity of life — simplicity to a modern world that was becoming increasingly complex and frustrating. It was the best advertising we'd ever done, and Marlboro's sales proved it. Earlier growth had been impressive, but since that beginning of the Marlboro Country theme in 1964, sales have increased an average of more than 10% a year."

But it's not merely to advertising that Philip Morris attributes the sales success of Marlboro. The segmentation of the cigarette market that started in the early 1960's became an increasingly potent force as the decade wore on. Marlboro was then able to move into the segments that were expanding.

In 1966, Marlboro Menthol green pack was added to the brand roster, and in 1967, longer cigarettes became popular, leading to Marlboro 100's. Currently, 100's hold a two and a half percent share of the cigarette market.

# GOLF<sup>1</sup> MAGAZINE

**TIMES MIRROR MAGAZINES**

POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF  
380 MADISON AVE. NEW YORK, NEW YORK 10017

## CORPORATE AND FINANCIAL

Golf Magazine is 18% more efficient than Golf Digest in reaching the professional and managerial adult.

\*Source: 1982 SMRB Golf: \$31.97 CPM  
Golf Digest: \$39.12 CPM

pop up in peripheral or "urban" markets. The reason: Hilton is following the flow of the business traveller. Because many firms have moved to the outskirts of their towns, new hotels will be set up close to major business centers or industrial parks. Some examples already in the completion stage on the East Coast: the Rye Hilton, which is near White Plains, and the Parsippany Hilton, near to numerous corporate facilities in New Jersey's Bergen and Somerset Counties.

Relatively few new projects for center cities are in the offing. Hilton figures its presence is already clearly established in many of these places and heavy competition in large urban areas is depressing profit pictures for some companies.

"We're not looking to immediately expand in New York, Chicago, Atlanta, or New Orleans — we're already there," says Collins. "But as the suburban areas around these metropolitan areas grow there's an opportunity to put in new hotels."

Some of the "heavy competition" Hilton is battling in major markets is especially evident in New York and Los Angeles, two towns where the market profile changes almost daily.

#### 1982 media expenditures

|                 |                    |
|-----------------|--------------------|
| Radio           | \$ 138,600         |
| Magazines       | 2,121,700          |
| Newspapers supp | 20,300             |
| Net tv          | 3,812,200          |
| Spot tv         | 231,400            |
| Outdoor         | 1,306,300          |
| <b>Total</b>    | <b>\$7,630,500</b> |

Los Angeles was once clearly a Hilton town, appropriately, as its austere corporate headquarters adjoins the luxurious Beverly Hilton. But besides covering the lucrative Beverly Hills/Bel Air market, it was solidly entrenched downtown with the huge Los Angeles Hilton and with a large hotel near the LA airport. Indeed, the only flank in LA Hilton did not cover was along the ocean, where the old Delmonica and Santa Monica Hotels reigned supreme.

This security was shortlived: the Westin Corporation, one of the more aggressive hostellers of late which has

resurrected some impressive monuments in large Southern markets and in Detroit, decided to build a massive structure adjacent to one of Hilton's traditional money makers, the Los Angeles Hilton. Not content with reaping the business traveller, a not-infrequent visitor to downtown LA, the Bonaventure was designed to compete directly for the convention traveller. It won hands-down in the slugfest that ensued: its convention center was substantially larger than the LA Hilton's, which didn't have room to expand its own.

The LA Hilton's only recourse was to tap the international traveller and continue to curry favor with the business staple. This successful alternative has continued to keep the hotel profitable.

A similar — but more complex — pattern of events has wracked the New York market, Hilton's most profitable and competitive. As any New Yorker knows, the hotel business in Manhattan has been as hectic as Macy's on Washington's birthday over the last three years. Two super-hotels popped up adjacent to Grand Central Station, two in the fifties on Madison Avenue, another, the Park-Meridien uptown



Hilton's big five at McCann-Erickson, Los Angeles, are (left to right) Leland Wong, account supervisor; Dorothy Charlesworth, associate media director; Cathy Krell, vice president and management representative; Bob Woodworth, vp/media director; Carol Begelman, account executive. They call the shots.



MARKETING &  
MEDIA

JUNE 1983 • \$3.00

C 2950-3 6/28/83

# Decisions

COIM 0155243 X S BR  
JOSEPH MCNALLY  
CONGRESSIONAL INF SVC  
4520 EAST-WEST HWY #800  
BETHSEDA MD 20814

DIR

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# THE NEW ELECTRONICS

## No cable chill in Canada

The brand new Canadian pay tv market may be worth as much as \$1.5 billion (Canadian) in subscription revenue and another \$150 million or so in equipment rental by 1992. According to a report from International Resource Development Inc., (Norwalk, CT), the current high rates of cable penetration in Canada will greatly ease the adoption of pay service. But, the study adds, the federal and provincial regulatory battles might prove to be a stumbling block to achieving these levels of success.

The study states the regulatory problem between the federal government and the provincial bodies stems from the Canadian broadcasting system's inclusion of cable television as a "broadcasting receiving undertaking." But, since a cable system is a "closed-circuit common carrier," bounded by the provincial border, shouldn't the province retain control? Since pay tv is to be a cable-based

service, its future in Canada hinges on the resolution of this conflict.

Despite the regulatory battles, the IRD study still projects Canadian pay tv to do phenomenally well, with adoption rates significantly higher than those found in the U.S. The study cites the reason for this as "an entirely different mentality."

The decision in the U.S. is simply whether or not to get cable. But, in Canada, nearly three-quarters of all people living in the more populated areas have already signed up for cable service.

With pay penetration levels expected to be around 35% of cable homes by 1987, IRD foresees a tremendous early opportunity for the manufacturers of the requisite hardware. All told, IRD believes the total market for selling operators, both headend and subscriber equipment, could total as much as \$600 million. Home decoder rental should bring in an additional \$93 million and subscriptions another \$700 million by 1987.

## Videotex advertising available in Chicago

The GTE Directories Corporation (GTEDC) and Keycom Electronic Publishing have signed an agreement to provide GTEDC's national clients with opportunities to advertise on Keycom's videotex and teletext services.

MasterKey will be introduced in the Chicago metropolitan area in the first half of 1984. The service will allow users to bank and shop at home.

Users will also be able to access large data bases of information such as up-to-the-minute news, weather and sports reports, financial information, entertainment listings, reservations and advertisements.

The two companies will also produce a video magazine with continuous updates.

The Keyfax National Teletext Magazine, the first major commercial teletext operation of its kind in the U.S., will offer viewers continuously updated pages of news, sports, business, leisure and weather information on decoder-equipped television sets.

The magazine is satellite distributed by Southern Satellite systems and is carried by 4,500 cable systems serving nearly 25 million homes.

Vernon W. Cain, vp-sales and planning for Keycom, said, "Electronically formatted advertising provides immediacy and convenience for the consumer and offers MasterKey and Keyfax advertisers a unique method of delivering their message to a very targeted and receptive audience. Copy changes can be made in a matter of minutes and the advertising message is always available."

Combined with GTEDC's 800 number service, videotex and teletext could prove to be a marketer's dream come true.

**Canadian Pay TV Operator Revenues, 1984-1992**  
((\$000))

|                                | 1984 | 1987 | 1992  |
|--------------------------------|------|------|-------|
| <b>Subscription Revenue</b>    | 347  | 714  | 1,155 |
| <b>Decoder Rental</b>          | 45   | 93   | 152   |
| <b>Total Operator Revenues</b> | 392  | 807  | 1,307 |



facing repeal. So most of the debate revolves around the issue of the networks acting as syndicators and demanding other rights (or profit shares) from producers. Not surprisingly, opponents of repeal include ad agencies, advertisers, producers and independent stations, as well as many other interests.

Some of their arguments border on the hysterical. For example, one specter that has been raised has the networks refusing to sell good off-network properties they represent as syndicators to independent channels, or to affiliates of rival networks. Thus, if CBS had a syndication arm and it was the agent for 20th Century Fox's "M\*A\*S\*H" reruns, it would offer these only to WCBS-TV in New York, but refuse to sell them to WNEW or WPIX.

This, of course, would be an idiotic business practice. But more than that, it is probably illegal. And no producer would stand for his sales agent not doing his best as a syndicator. Nothing like this happened in the sixties when CBS Films (now Viacom) sold much of its off-network inventory to indies or ABC and NBC affiliates. Like any other entity, syndication managers are motivated by profits and it is hard to see how this would change so long as independents were willing to pay top dollar for off-network fare, as they now do.

The advertisers in some of their briefs also make extravagant claims. For example, they see independent channels threatened by network dominance and contend that the strength of indies has kept cost per thousands lower in markets where they compete effectively. The statistical support for such statements is difficult to pin down, for inherent in this claim is the idea that independents are still the bargain basement of broadcast buying — even with their new found clout and impressive ratings. I can't find any evidence that independents are selling time in their high rated Monday-Friday comedy or action show strips at fantastically low cpms (compared to network affiliates).

There are many aspects of this debate that have subtle and long-ranging implications. And I am not at all advocating that the rules be repealed.

While they have not performed the miracles that were hoped for, anything that encourages a freer flow of programming should be encouraged. It is becoming evident that a really viable fourth network may be created, based largely on major market independent stations, plus network affiliates elsewhere. Like most observers of the tv scene, I welcome such a development, but fear for its success if the three networks are given additional leverage to stifle its growth.

And then there is the question of cable. The only incentive for ad supported cable networks to evolve in viable directions is the continued erosion of the ABC/CBS/NBC position, not its strengthening. Yet, neither of these points has gotten much play in the coverage of the FCC Rule debate. Let's hope that the commissioners sift through all the bluff and bluster and get the inputs they need to make a sound decision. Most of the arguments (pro and con) have little merit to them and the "factual" evidence cited in some of the briefs is distorted or no longer relevant.

#### TELEVISION by BETSY FRANK

Assoc. Media Research Director  
Dancer Fitzgerald Sample, Inc



#### "A B C D E F G What's the trend in kids' tv?"

Children like television, and they watch a lot of it: over 25 hours a week, or about three and a half hours a day.

However, contrary to some critics, we feel that children are not indis-

criminate users, but are, in fact, quite selective in their viewing. They seek out the programs they want to watch, regardless of daypart or type.

Here's an example:

This past February, how many of the top rated network programs among children do you think aired in primetime and how many on Saturday morning?

Think about it and then look at Exhibit I. "Dukes of Hazzard" was the highest rated show for kids, with four other primetime shows on the list; that is, a 50/50 split.

#### Exhibit I Top rated programs total children February 1983

|                        |      |       |
|------------------------|------|-------|
| (P) Dukes of Hazzard   | 26.5 | (CBS) |
| (S) Pac-Man III        | 23.6 | (ABC) |
| (P) Walt Disney        | 23.5 | (CBS) |
| (S) Smurfs II          | 22.6 | (NBC) |
| (P) Diffrent Strokes   | 21.6 | (NBC) |
| (S) Pac-Man II         | 21.4 | (ABC) |
| (P) Silver Spoons      | 21.2 | (NBC) |
| (S) Smurfs III         | 20.2 | (NBC) |
| (S) Smurfs I           | 19.6 | (NBC) |
| (P) Knight Rider       | 19.3 | (NBC) |
| Average 10 shows: 22.0 |      |       |

(P) = Prime, (S) = Saturday  
Source: NTI

Now, think back to February 1978, answer the same question, and look at Exhibit II. All ten shows aired in primetime. Surprised? Remember that ABC was at its peak then, and 6-11's, the heavier primetime viewers, made up a larger part of the child universe. Since then, ABC has broadened its programing somewhat, resulting in the rather startling fact that none of this year's favorites is an ABC primetime show!

#### Exhibit II Top rated programs total children February 1978

|                         |      |       |
|-------------------------|------|-------|
| (P) Happy Days          | 43.0 | (ABC) |
| (P) Laverne & Shirley   | 38.3 | (ABC) |
| (P) Eight Is Enough     | 28.3 | (ABC) |
| (P) Walt Disney         | 26.0 | (CBS) |
| (P) Hardy Boys          | 25.0 | (ABC) |
| (P) Three's Company     | 24.8 | (ABC) |
| (P) Love Boat           | 24.8 | (ABC) |
| (P) Project: UFO        | 24.4 | (NBC) |
| (P) Operation Petticoat | 23.1 | (ABC) |
| (P) What's Happening    | 22.7 | (ABC) |
| Average 10 shows: 28.0  |      |       |

(P) = Prime  
Source: NTI

To clarify how viewing habits are changing, it is first necessary to take a look at how the child universe is shifting. Since the early '70's, the child population has been declining, both in absolute numbers and as a percent of total population. Although 6-11's are still in decline, the 2-5 segment has been growing since 1982, in what has been dubbed a "baby boomlet" by demographers.

It appears, then, that as the child population has gotten younger, and primetime ratings have declined, Saturday morning programs are more likely to be kids' favorites. In this light, it may be interesting to take a look at how the networks have put together their Fall 1983 children's line-ups. In case some of you haven't watched Saturday morning cartoons since "Bullwinkle" was spun off from "Rocky and his Friends" 20 plus years ago, next season will see a continuation of some past strategies and a departure from others. Specifically,

- **More live action:** After near saturation of animated shows over the last

few years, the networks will add two new live action programs to the two existing ones this Fall, to bring the animated total down to 87%, the lowest since 1977.

- **Long Formats:** Since 1975, the networks have been favoring blocks of programming with a common character or element, to keep the kids from tun-

ing out and affiliates from "cherry-picking." This trend continues next season.

- **More pre-sold characters:** From "Benji" to "Alvin and the Chipmunks," the networks will again add programming new to Saturday, but familiar to kids via other media or day-parts.

Continuing ratio of new versus returning: Approximately 40% of the 1983-84 schedule represents new programming.

- **Games and diversions:** Kids are into games, and if you can't beat 'em, join 'em. So "Dungeons and Dragons", "Frogger", "Rubik's Cube," et. al. join Pac-Man next season.

- **Primetime spinouts:** Over the last few years, "Laverne and Shirley," "Gary Coleman," and "Dukes of Hazzard" have all enjoyed at least one season of exposure in both primetime and on Saturday morning.

- **Little creatures everywhere:** Move over, "Smurfs"! Those little blue figures will have to make room on the shelf for "The Monchichis" (ABC), "The Littles" (ABC), and "The Biskits" (CBS).

If it turns out that the networks have mis-read audience with these strategies and programs, kids will still have considerable viewing alternatives to choose from.

In syndication, for example:

While the number of children's syndicated shows has not changed much since 1978, the popularity of different types has shifted somewhat, as in our network example (Exhibit III).

## Exhibit III

### Syndicated top rated programs total children

#### February 1978

|                       |      |
|-----------------------|------|
| (L) Muppet Show       | 24.4 |
| (L) Brady Bunch       | 20.9 |
| (A) Tom and Jerry     | 16.8 |
| (A) Bugs Bunny        | 15.8 |
| (L) Gilligan's Island | 15.1 |
| (A) Popeye            | 14.6 |
| (A) Flintstones       | 14.1 |
| (L) Bozo Live         | 13.8 |
| (L) Sha Na Na         | 13.8 |
| (A) Spiderman         | 13.5 |

Average 10 shows: 16.3

#### February 1983

|                      |      |
|----------------------|------|
| (A) Scooby Doo       | 15.9 |
| (L) Brady Bunch      | 12.7 |
| (A) Superfriends     | 12.7 |
| (A) Pink Panther     | 12.6 |
| (A) Tom and Jerry    | 12.4 |
| (L) Three's Company  | 11.1 |
| (A) Flintstones      | 10.9 |
| (A) Bugs Bunny       | 10.5 |
| (L) Wonder Woman     | 10.5 |
| (A) Woody Woodpecker | 10.4 |

Average 10 shows: 12.0

Source: Arbitron SPA

**You need Appleton...**

**To reach the BETTER HALF of the Green Bay ADI**

The 4-county Appleton Metro Market is dominant in the Green Bay ADI, outdistancing Green Bay in population, households, buying income and retail sales.

Represented Nationally by Cresmer, Woodward, O'Mara & Ormsbee

|                  | COUNTIES | POPULATION     | % OF ADI   |
|------------------|----------|----------------|------------|
| <b>APPLETON</b>  | <b>4</b> | <b>338,400</b> | <b>34%</b> |
| <b>GREEN BAY</b> | <b>4</b> | <b>253,800</b> | <b>26%</b> |

SOURCE: Survey of Buying Power, 1982

**THE Post-Crescent**  
P.O. Box 59 Appleton, WI 54912 • 414/733-4411  
Market brochure available on request from National Sales Department.

**DELIVERS  
RATINGS  
UNMATCHED  
BY ANY  
OTHER  
MEDIUM!**

*It's the easiest, fastest, most cost-effective way to get more than your share of the South Bend market. Day in and day out — 7 days a week — the **South Bend Tribune** delivers "ratings" unmatched by any other medium. 81% of the adult SMSA population on Sundays...74% daily. Go for it. Get more than your share of the South Bend Market. With an ad schedule in the **South Bend Tribune** starting now!*



Albert E. Petersohn,  
General Advertising Mgr.  
South Bend, IN 46626

Represented Nation-  
ally by Cresmer,  
Woodward, O'Mara  
& Ormsbee, Inc.

Source: Belden CMS  
May-June, 1981

# South Bend Tribune

In February 1978, five of the top ten were live action shows, including the top rated "Muppets."

This past February, "Scooby Doo" was the #1 show, and only three of the ten were live action.

#### Cable fragments audiences

Finally, cable is fragmenting available audiences and creating new competition for over the air stations, by offering children additional viewing options. Jim Henson ("Muppets") has created "Fraggle Rock," a new weekly series for Home Box Office. Both HBO and Showtime devote time each week to "family" programming, and we can't forget the recently launched Disney Channel, a pay service offering family entertainment sixteen hours a day.

On the basic services, children's fare includes USA's "Cartoon Express" and "Calliope"; WTBS' "Superstation Funtime"; and Nickelodeon, cable's only "just for children" channel. And we have some indication that during certain dayparts, children comprise a substantial portion of the MTV audience. Having so much programming available makes kids even less dependent on the stereotyped notion of "children's dayparts."

In summary, it is difficult to agree with critics of kids television who say there is no diversity to the programming. To the contrary, we see considerable variety within a child's world.

There are programs with animals, programs with games, programs with super-heroes.

Children do vary their viewing, both seasonally and from week to week, selectively searching out programming they choose to watch; after all, it's one of the few areas of their lives they can control.

Children will watch what they want to watch, daytime or primetime, programmed for them or not. Increasing video alternatives —

network, syndication, and cable;  
video games and cassettes;  
primetime, daytime, and weekend;  
programed just for kids or not

— are giving children more opportunities to watch what they want, when they want, and are creating more opportunities (and challenges) for the advertiser.

#### OUTDOOR by DICK BRIGGS

vp/dir., out-of-home media,  
SSC&B



#### The exciting future of fiber optics

On January 18, 1965, the legendary Marion Harper delivered a speech to three hundred tri-partite members attending an annual Traffic Audit Bureau convention in Chicago. With his great foresight, Marion predicted that future advancements in outdoor advertising technology would be through electronic application. As a result, outdoor space would eventually be purchased on a time sharing basis.

That statement was made over eighteen years ago. So when and where is the revolution?

Well, if you read Senior Editor Fred Gardner's article in last October's *Decisions*, some fascinating new technological developments in outdoor were outlined. Three-dimensional laser beam projections, possibly programmed via satellite, computer controlled and operated pictorial painting of bulletins, and fiber optic visuals were some of the exciting new R & D projects reviewed.

Recently, I had the opportunity to see laser light projections and fiber optic visuals in action when I visited Walt Disney World's EPCOT Center in Florida. It is fiber optics in particular which have really exciting application to electronic outdoor — and the technology is here right now.

We are all aware of the transformation taking place within the thousands of miles of the AT&T Long Lines System where copper wire conducting



"I simply said that HBR delivers more regular executive readers per dollar in the U.S. than any other publication."



The more you know  
about HBR, the  
better it fits.

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Business Review**

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homes, boosting basic cable shares enormously.

- The ad-supported basic cable services are major recipients of ongoing network declines.

Charted, the numbers really start looking like a sound investment for those advertisers who got into basic cable on the ground floor. 12% and 13% of primetime viewing in basic cable and pay cable households last November went to the WTBSs, CNNs, ESPNs, etc. of the world! (that's 6% of all viewing weighted against the total U.S.).

In daytime, the proliferation of new cable services like Hearst/ABC, Cable Health Network and USA Daytime, as well as the viewer's finally finding the programming on the dial brought in equally impressive 15% and 17% shares in basic and pay cable households respectively.

Remember the thin lines once attributed to basic cable? How was one to reconcile the ratings of 1.0s, 2.0s, 3.0s coming in on individual basic cable services with such thin lines? Well, breaking out viewing to superstations and adding it onto basic cable where it belongs has certainly helped. But viewing is up for the basic cable services, too, a result not only of more services coming on line to attract the viewers' attention, but also of growing viewer familiarity and satisfaction with available cable programming.

Ponder these charts again. The non-cable universe that was once all we knew is now only 61% of the U.S. Audiences in cable and pay households, 38% and 32% of the U.S. respectively, are catching on to the alternative programming available to them. And by the end of this year, WTBS, CNN, ESPN and CBN will all be joined by USA, MTV, CHN and Hearst/ABC in showing advertisers metered ratings data verifying increased viewing. Basic cable as an advertiser opportunity is looking stronger every day. At last the bulls are running.

“\_\_\_\_\_”

**While pay cable shares may be leveling off, advertiser cable is still building audience.**

## MARKETING by DAWN SIBLEY

media director,  
MCA Advertising, Westport, CT.



## 60's to 30's to 15's— Clutter, clutter, clutter

Recently the NBC television network announced that it will accept "on an experimental basis" two different commercials piggy-backed in the same 30 second spot. In addition, CBS and ABC have already agreed to carry "integrated commercials", that is, two "unrelated" products in a 30-second spot.

There is no doubt that this move will increase clutter in an already cluttered medium, and result in a new wave of concern about the declining effectiveness of television commercials. What will be the possible effect of the new shorter-length commercials on commercial impact? To refresh our memory on what has happened in terms of tv commercialization policies over the years, we compared a typical 1971 half-hour on a network affiliate and on an independent to the same half hour in 1983. The difference was minimal in daytime and fringe time. Total non-program time, which includes national and local commercials, plus promos and public service announcements, remained almost the same on the independents, and it decreased on the network affiliates. The network affiliate time decrease came out of local promotion time. The only real change was that the local affiliate had less time to sell and the network had another minute to sell. Therefore total commercial time has remained similar in these two

"Telling them that 50.9% of the total subscribers to HBR are members of boards of directors got their attention."



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## Correct brand recall of last commercial

(by Demographics)

|                          | 1965 | Base<br>N | 1974 | Base<br>N | 1981 | Base<br>N |
|--------------------------|------|-----------|------|-----------|------|-----------|
| Total Adult Viewers      | 18%  | (1003)    | 12%  | (1058)    | 7%   | (1010)    |
| By Sex:                  |      |           |      |           |      |           |
| Males                    | 19%  | (477)     | 16%  | (518)     | 8%   | (508)     |
| Females                  | 16   | (526)     | 8    | (540)     | 6    | (502)     |
| By Age:                  |      |           |      |           |      |           |
| 18-34 years              | 23%  | (287)     | 15%  | (364)     | 8%   | (366)     |
| 35-49 years              | 19   | (293)     | 12   | (268)     | 7    | (192)     |
| 50-64 years              | 13   | (246)     | 10   | (254)     | 9    | (225)     |
| 65 years and over        | 13   | (161)     | 12   | (153)     | 4    | (209)     |
| By Education:            |      |           |      |           |      |           |
| Some high school or less | 17%  | (323)     | 12%  | (267)     | 7%   | (198)     |
| High school graduate     | 19   | (378)     | 13   | (421)     | 8    | (383)     |
| Some college or more     | 16   | (291)     | 13   | (343)     | 7    | (403)     |

Source: Journal of Advertising Research  
February/March 1983

dayparts. However, in the primetime area, the recent trend is an increase in network commercial time of 30 seconds in more and more programs. Although this increase is being taken from network promotion time, we are nonetheless in for more commercial time in the evening hours.

The major contributor to the clutter problem over the past twelve years has been the almost wholesale transition by advertisers to the new shorter length 30's, abandoning the 60 second commercials that they used in the fifties and sixties.

In their recent and very interesting paper on 30 second commercials in the February/March issue of the *Journal of Advertising Research*, Dr. Leo Bogart and his co-author Charles Lehman report that between 1967 and 1981, the number of network commercials rose by 120%, from 1,856 to 4,079 per week. Spot commercials increased 119% in the top 75 markets over the same period and promos and public service announcements also increased at the same rate.

In an effort to determine the effect of this proliferation on the productivity or recall of a typical commercial, Dr. Bogart, vp-manager of survey research for the Newspaper Advertising Bureau, discusses three parallel studies conducted for the NAB over a 16-year period (1965, 1974, and 1981). In these studies correct identification by viewers of any commercial in the last cluster seen (less than five minutes be-

fore the interview) dropped from 18% in 1965 to 12% in 1974, to 7% in 1981.

It is their conclusion that this significant decline in viewer recall reflects: "1) the maturation of television and its acceptance as part of the scenery, and 2) the increased fractionation of the commercial environment, which has reduced the memorability and presumably the communications value of any individual message." Dr. Bogart makes reference to the most widely used measurement of television commercial recall, "the Burke score," and states that average Burke scores have not declined appreciably over the past ten years. He attributes the difference between his reported decline and Burke's result to the fact that the Burke methodology provides clues to aid recall, and the NAB study did not. He conjectures that the consumer ability to remember advertising has not changed as much as the ability to use that memory actively.

We checked Burke to see if there had been any recent change in Total Women General Audience scores, and came up with what may be a slight decrease in 1982. However, only time will tell if the measurement reflects real evidence of a decline. See pg. 98.

Recall is only one clue to the effectiveness of a commercial. Another measure is sales, and the increased frequency affordable with the shorter copy lengths could, in some cases, be the impact needed to generate the sale.

Low  
Unemployment  
& High Effective  
Buying Income  
make Metro  
Harrisburg  
one of your best  
market buys  
in the Northeast.

The Harrisburg Patriot-  
News reaches 71% of  
the Harrisburg Market  
Area, according to Belden.

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or Bob Cobaugh,  
The Patriot-News, at  
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Represented by  
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your message that will  
deliver your audience!**

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Miami, FL 33169  
305/945-6705

### Female General Audience Recall Scores

#### Mean Score

|      |    |
|------|----|
| 1972 | 23 |
| 1973 | 25 |
| 1974 | 24 |
| 1975 | 24 |
| 1976 | 25 |
| 1977 | 24 |
| 1978 | 24 |
| 1979 | 23 |
| 1980 | 23 |
| 1981 | 23 |
| 1982 | 22 |

Source: Burke Marketing Service

In the final analysis, of course, there is much more to measuring the success or impact of a commercial than just commercial recall—and Dr. Bogart alludes to this.

### AGRI-MEDIA by ROSE SANDEFUR

Ag media supervisor,  
Marsteller, Chicago.



### Every year has twelve months

Why do some companies advertise as if farmers make brand decisions only once a year? An informal survey of recent advertising activity reveals that in 1982, over 50% of all agricultural ad dollars were spent in the first four months of the year. The concentration of advertising during this time may be as much the result of historical precedence as any thoughtful marketing strategy.

Traditionally, advertising is the heaviest in early Spring, because that is when farmers book orders for crop inputs. Advertisers want to be in the marketplace when the competition is present. And there is always the hope that a final exposure will tip the purchase our way. Most likely, it won't.

A *Successful Farmer* study discloses that most farmers think about and order products for the year in the period of January through April. This does not mean that product evaluation is made *only* at this time. Product appraisal is an on-going process. The farmer gets information from dealers, his own yield results, university and extension communications as well as from product advertising. Brand decisions develop over time. Media objectives and strategies must reflect the context of how and why product assessments are made.

### Risk reduction

Media objectives have typically been: increase awareness, establish a positive product image, announce new products or extensions of existing ones, and support dealers and distributors. We should perhaps add, "reduce risk by communicating product benefits in an environment that encourages understanding," to these important goals.

We all know that clutter is a problem every advertiser faces in early spring. Research shows that the effectiveness of an advertiser's message is weakened by close proximity to another ad in the same product category. One way to fight clutter is to get out of the noise.

The most important element of a new strategic approach is to advertise during more months of the year. Print schedules should run nine months instead of five. This continuous flow of information eliminates the confusion of a cluttered environment and will help the farmer develop an informed judgement on any product he considers.

**A Successful Farming study discloses that most farmers think about and order products for the year in the period of January through April.**





## **1982 brand leaders in newspapers**

A few large national advertisers dominated national newspaper space in 1982, although some use was made of the medium by a long list of advertisers. And the growing use of co-op coupon units attracted new users into the papers. Biggest users continued to be cigarette, airline, automotive and food advertisers. This is the first and exclusive publication of new Media Records compilations of use of national newspaper advertising in 1982.

## 1982 brand leaders in newspapers

National newspaper advertising dollar volume rose again in 1982 — up 8.6% over the year before.

The total figure for 1982, as reported by the Newspaper Advertising Bureau was \$2,450,000,000. In 1981, the NAB estimate was \$2,256,000,000 — and in 1980 it was \$1,963,000,000.

The leading categories continue to be automotive, tobacco, airlines and food — with the top brands in each category accounting for an overwhelming percentage of the spending — and with that concentrated in newspapers in the largest 125 markets.

The top 25 cigarette brands, although they spent 22% less on newspapers in 1982 than in 1981, funneled \$250,605,000 into the medium in the largest 125 markets in 1982. And of that amount, 50% was spent by the six leading brands.

The top 25 automotive brands increased their expenditures in newspapers in 1982 by 18%, and invested \$224,468,000. The top 10 makes spent 69% of the money put into newspapers by the leading 25 makes — and that was close to all the dollars invested.

The top 10 airlines dominated newspaper space in their field — with a total of \$137,964,000. The three leaders accounted for half of the investment by these top 10.

Dominance by a few national advertisers was in evidence in practically all categories of heavy national newspaper advertising. In foods, Pepperidge Farms and Kraft showed up in several specialty food categories.

The data that follow are published exclusively by *Marketing & Media Decisions* under an arrangement with Media Records. What we show, however, is just the tip of the iceberg — activity among the leaders and the summaries of expenditures by classifications and by the leading 100 corporate spenders in national newspaper space.

The full report is available from Media Records, 370 Seventh Ave., New York, N.Y. 10001 for \$975. Product classification reports range

## Top 20 Cigarette brand expenditures in newspapers — 1982

|                    |                      |
|--------------------|----------------------|
| 1. Salem           | \$ 30,652,000        |
| 2. Benson & Hedges | 27,039,000           |
| 3. Merit           | 23,681,000           |
| 4. Winston         | 19,571,000           |
| 5. Kool            | 19,133,000           |
| <b>Top-5</b>       | <b>\$120,076,000</b> |

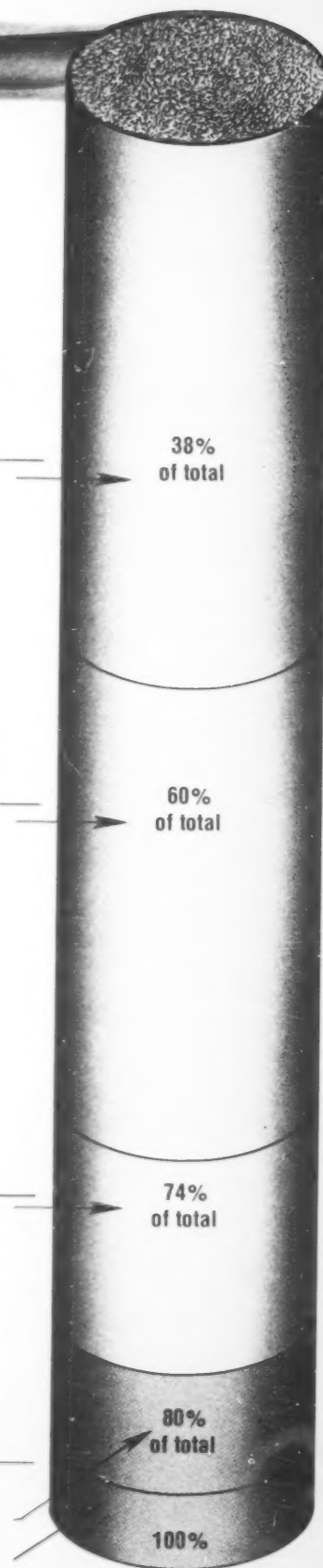
|               |                      |
|---------------|----------------------|
| 6. New        | \$ 17,206,000        |
| 7. Barclay    | 13,851,000           |
| 8. Marlboro   | 13,207,000           |
| 9. More       | 11,653,000           |
| 10. Camel     | 11,290,000           |
| <b>Top-10</b> | <b>\$187,283,000</b> |

|                    |                      |
|--------------------|----------------------|
| 11. Bright         | \$ 10,194,000        |
| 12. Vantage        | 9,978,000            |
| 13. Virginia Slims | 9,312,000            |
| 14. Kent           | 9,170,000            |
| 15. True           | 7,655,000            |
| <b>Top-15</b>      | <b>\$233,592,000</b> |

|                  |              |
|------------------|--------------|
| 16. Cambridge    | \$ 5,973,000 |
| 17. Lucky Strike | 4,993,000    |
| 18. Parliament   | 2,469,000    |
| 19. Carlton      | 1,962,000    |
| 20. Saratoga     | 1,616,000    |

|               |                      |
|---------------|----------------------|
| <b>Top-20</b> | <b>\$250,605,000</b> |
| <b>Other</b>  | <b>\$ 63,133,000</b> |
| <b>Total</b>  | <b>\$313,738,000</b> |

Source: Media Records, 1982



## How auto dealer strategy affects newspaper spending

|                  | Newspaper dollars    | % factory | % dealer assoc. | % local | % pick-up & camper |
|------------------|----------------------|-----------|-----------------|---------|--------------------|
| 1. Ford          | \$ 31,593,000        | 44%       | 18%             | 26%     | 12%                |
| 2. Chevrolet     | 30,021,000           | 42        | 7               | 47      | 4                  |
| 3. Chrysler      | 16,789,000           | 52        | 3               | 45      | —                  |
| 4. Cadillac      | 16,752,000           | 7         | 5               | 88      | —                  |
| 5. Toyota        | 15,611,000           | 14        | 4               | 72      | 10                 |
| 6. Dodge         | 12,407,000           | 11        | 2               | 73      | 14                 |
| 7. Volkswagen    | 11,656,000           | 73        | 14              | 12      | 1                  |
| 8. Olds          | 10,426,000           | 14        | 29              | 57      | —                  |
| 9. Datsun        | 9,711,000            | 24        | 5               | 41      | 30                 |
| 10. Lincoln      | 8,209,000            | 35        | 34              | 31      | —                  |
| <b>TOP 10</b>    | <b>\$163,175,000</b> |           |                 |         |                    |
| 11. Peugeot      | 8,168,000            | 91        | 1               | 8       | —                  |
| 12. Buick        | 7,241,000            | 15        | 18              | 67      | —                  |
| 13. Pontiac      | 5,293,000            | 11        | 9               | 80      | —                  |
| 14. Honda        | 4,757,000            | 24        | 2               | 74      | —                  |
| 15. BMW          | 4,674,000            | 51        | 30              | 19      | —                  |
| 16. Jaguar       | 4,668,000            | 48        | 20              | 32      | —                  |
| 17. Mercury      | 3,958,000            | 54        | 24              | 22      | —                  |
| 18. Mercedes     | 3,785,000            | 47        | —               | 53      | —                  |
| 19. Audi/Porsche | 3,664,000            | 71        | 9               | 20      | —                  |
| 20. Volvo        | 3,152,000            | 56        | 5               | 38      | 1                  |
| <b>TOP 20</b>    | <b>\$212,535,000</b> |           |                 |         |                    |
| 21. Renault      | 3,075,000            | 44        | 28              | 28      | —                  |
| 22. Saab         | 2,691,000            | 80        | 1               | 19      | —                  |
| 23. AMC          | 2,313,000            | 23        | 35              | 38      | 4                  |
| 24. Subaru       | 2,124,000            | 17        | 21              | 62      | —                  |
| 25. Fiat         | 1,730,000            | 59        | 24              | 17      | —                  |
| <b>TOP 25</b>    | <b>\$224,468,000</b> |           |                 |         |                    |

Source: Media Records, 1982

from a high of \$285 for a complete class breakout (foods for example) to \$100 for a food sub-class.

The record is presented in four parts in one volume: classification totals; 100 leaders with corporate totals; 100 leading companies, with brand breakouts; and individual brand breakouts within classifications.

### Cigarettes

Cigarettes continued as top spenders in national newspaper space, one of the few advertisers to seek "image" via displays in the daily paper. But individual brands trimmed their expenditures in 1982.

Merit dropped from over \$38 million in 1981 to under \$24 million in 1982. Barclay cut back from \$35 million to less than \$14 million in 1982.

Winston dropped from \$29 million to \$19.6 million in 1982.

The three leaders in 1982 became Salem (\$30.7 million), Benson & Hedges (\$27 million), Merit (\$23.7 million). In the case of Benson & Hedges this was a revival (a fourfold increase in newspaper dollars) for an old brand with a new light product.

Kool was also given a new dose of marketing, with emphasis on its Lights and Ultra Menthol versions. New big spender is Bright, backed with a little over \$10 million in newspapers. Virginia Slims and True got larger newspaper budgets in 1982. Lucky Strike resurfaced as an important advertiser with almost \$5 million spent on Lucky Strike Regulars.

But 1982 was marked by cut-backs in newspaper dollars for most brands.

### Automotive

New car advertisers poured more money into newspapers in 1982 in a desperate attempt to draw prospects into showrooms with new offers of rebates, special financing, etc. Most of the increase was in factory dollars, but practice varied in share of newspaper expenditures that came directly from "factory budgets," from dealer association funds and from local expenditures.

Ford, the leading spender (\$31.6 million total) was supported with 44% of the total factory expenditures. The previous year only 27% of Ford dollars were factory. But local newspaper buys for Ford dropped from 50% to 26% of the total in 1982. The company had to pick up the tab to keep its presence high in the papers. It also stepped up newspaper display in behalf of its pick-ups and campers.

Chevrolet also upped newspaper dollars in 1982 to a total of \$30 million from \$27.5 million in 1981. Share of the newspaper kitty for factory, dealer association and local didn't change.

Chrysler inched its total dollars up very slightly, based on more local expenditures than in 1981.

The big three accounted for a third of expenditures by the top 25 in newspapers in 1982.

### Airlines

The three airlines dominating in newspapers in 1982 were Delta (\$24.3 million), Pan Am (\$23.6 million) and Eastern (\$21.2 million). Pan Am made a strong come-back in the medium, with almost half of its space devoted to international service. In contrast, Delta used 90% of its space to advertise domestic flights and Eastern used 72% of its newspaper displays to feature domestic services.

The three leaders in 1982 spent 7% more in newspapers than the three leaders in 1981. And the 1981 top three had increased newspaper budgets by 13%. Airline budgets are advancing only slightly more than newspaper cost year-to-year.

Other airlines in the top ten were in this order; TWA, American, Northwest, U.S. Air, United, Western, Braniff. About 69% of American's use of the U.S. press was in behalf of overseas flights. On the other hand,



97% of U.S. Air's newspaper space promoted domestic air travel.

Three airlines — American, United and Braniff — each used a small proportion of newspaper dollars to advertise their cargo services.

### Foods

The foods that get the biggest play in newspaper advertising are bakery goods, cereals, condiments, confectionery and snacks, dairy products, fruits and vegetables, meat/fish/poultry, prepared dishes, shortening/oils/margarine. They are all reported separately by Media Records.

Most advertised in newspapers among bakery goods are Nabisco and Pepperidge Farms. Nabisco stepped up its newspaper dollars from \$418,000 to \$2,678,000 in 1981 — and then moved up to \$2,932,000 in 1982. Pepperidge Farms has been spending at over \$1 million on just its bakery goods for the last two years. It also invested \$382,000 on snack ads in newspapers in 1981.

In cereals, Kellogg's, General Mills and Quaker were in the lead in that order in the last two years. Kellogg's put over \$2 million into the medium in 1982, three times as much as the other two combined. But this did not compare to Kellogg's reliance on newspapers in 1979 and 1978 when it was pumping over \$4 million a year into the daily and Sunday press.

The leading condiment advertisers in newspapers were Hunts, Kraft and Ragu. The latter was new to the top three leader group in 1982. Hunts and Kraft each put over \$1 million behind their condiments in the press.

Hershey, the one-time non-advertiser, continued as leader among confectionery and snack advertisers in newspapers, followed by M&M and then Pepperidge Farms. Hershey candies were supported with over \$1 million in newspapers in 1981 — and then \$911,000 in 1982.

Kraft was far and away the largest user of the papers for dairy products with a budget of \$1,841,000 in that medium. Kraft also spent over \$1 million in the miscellaneous foods category. American Dairy Association upped its budget to \$887,000. And Land O'Lakes became number three in newspapers with \$824,000.

Ore-Ida potatoes led the fruits/vegetables advertisers with a newspaper budget that jumped from \$144,000 in 1980 to \$536,000 in 1981 to \$841,000 in 1982. Green Giant was a poor second with a budget of \$285,000 — down from over \$1 million in 1980.

Hormel is the strongest advocate of newspaper advertising in the meats/fish/poultry class — with a budget that has been increasing yearly since 1978 and which in 1982 hit \$3.2 million. Frank Perdue added another \$700,000 to his newspaper kitty in 1982, bringing his total to \$1.5 million. Swift moved up to the status of a million dollar newspaper devotee.

In the growth category of prepared dishes, newspapers aren't being used as much as one might suppose. Stouffer's put \$466,000 into the medium; Chef Boy-Ar-Dee \$383,000; Riceland Rice \$341,000. In shortening/oils/margarines, Fleischmann's upped its budget to \$642,000 in newspapers to become the leader. Imperial was second, with \$478,200 — a budget that has been growing each year since 1978. Wesson Oil invested \$434,000.

### Lotteries

State lotteries are here to stay and happy to boost newspaper incomes regionally. Michigan spent \$1.4 million on its game of chance; New York State \$923,000; Pennsylvania \$603,000.

### Couponers

The couponers continued to pile on more and more dollars in newspapers, as co-op couponing became ever more popular. Market Corp. of America jumped into the lead with \$40.8 million in volume. Valassis added \$15.5 million to its activity, bringing its total to \$39 million. Blair Inserts had a great year — up \$13.5 million to a new high of \$34.2 million.

### Mail order

Newspaper advertising of the mail order giants was off slightly, but the dollars were high: Franklin Mint rolled out \$8.7 million; Spencer Gifts \$3.7 million; Mail Box U.S.A. \$3.3 million. This represented cut-backs by Franklin Mint and Mail Box but an advance by Spencer.

### Magazines

The magazine industry complimented its print sister medium with strong investments in circulation promotion in newspapers. *Time* spent \$2.5 million; *TV Guide* \$1.4 million; *Sports Illustrated* \$823,000.

### Radio/tv stations

The broadcasters, also in search of audience, swallowed their pride and bolstered the coffers of the daily press. NBC spent the most, \$11.4 million. Then came ABC with \$10.2 million and CBS with \$8.4 million.

### Restated newspaper advertising expenditures, 1970-1982 (Millions of dollars)

|      | NATIONAL | RETAIL   | CLASSIFIED | TOTAL    |
|------|----------|----------|------------|----------|
| 1970 | \$ 891   | \$ 3,292 | \$1,521    | \$ 5,704 |
| 1971 | 972      | 3,565    | 1,630      | 6,167    |
| 1972 | 1,062    | 3,964    | 1,913      | 6,939    |
| 1973 | 1,049    | 4,245    | 2,187      | 7,481    |
| 1974 | 1,105    | 4,563    | 2,174      | 7,842    |
| 1975 | 1,109    | 4,966    | 2,159      | 8,234    |
| 1976 | 1,342    | 5,668    | 2,608      | 9,618    |
| 1977 | 1,472    | 6,241    | 3,038      | 10,751   |
| 1978 | 1,541    | 7,023    | 3,649      | 12,213   |
| 1979 | 1,770    | 7,845    | 4,248      | 13,863   |
| 1980 | 1,963    | 8,609    | 4,222      | 14,794   |
| 1981 | 2,258    | 9,686    | 4,583      | 16,527   |
| 1982 | 2,450    | 10,390   | 4,852      | 17,692   |

Source: Newspaper Advertising Bureau

Note: These estimates are subject to a technical adjustment at a later date.

# Top brand spenders in national newspaper space

- Leading classifications in national newspaper spending
- The three brands spending the most in these classifications
- Dollar investments for 1982, 1981, 1980, 1979, 1978.

The data that follow have been extracted from Media Records 1982, four-part National Newspaper Advertising Investments report. Part 1 shows national advertising investments in Media Records product classifications. Part 2 ranks the top 100 national newspaper advertisers by corporate name. Part 3 breaks down these numbers by brands or services of the top 100 corporations, plus the newspaper expenditure for each product or service. Part 4 shows brands and products arranged alphabetically in each of the classifications presented in Part 1.

The figures for total advertising by classification have been projected to national totals. Not so with the numbers for individual brands. The latter are based on the Media Records sample of observed usage of newspapers, projected to the leading 125 markets that account for an estimated 82% of the total U.S. national newspaper advertising volume.

From Part 4 (classification by brand) we have determined the top three brands and in the following tabulation show their investments for the past five years.

|                                | 1982         | 1981         | 1980         | 1979         | 1978         |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Airlines</b>                |              |              |              |              |              |
| Delta                          | \$24,327,000 | \$21,322,000 | \$20,133,000 | \$17,915,000 | \$15,977,000 |
| Pan Am                         | 23,634,000   | 17,166,000   | 7,340,000    | 4,249,000    | —            |
| Eastern                        | 21,218,000   | 23,070,000   | 19,814,000   | 12,416,000   | 11,081,000   |
| <b>Aluminum/paper products</b> |              |              |              |              |              |
| Kleenex                        | 651,000      | 1,062,000    | 574,000      | 312,000      | 520,000      |
| Scott                          | 562,000      | 321,000      | 1,103,000    | 1,357,000    | —            |
| Ziploc Bags                    | 473,000      | 535,000      | 342,000      | 58,000       | 158,000      |
| <b>Amusements</b>              |              |              |              |              |              |
| Paramount                      | 718,000      | 838,000      | 1,290,000    | 1,187,000    | 236,000      |
| 20th Century                   | 621,000      | 149,000      | 61,000       | 42,000       | —            |
| Disney                         | 552,000      | 602,000      | 360,000      | 342,000      | 239,000      |
| <b>Auto lease/rental</b>       |              |              |              |              |              |
| Hertz                          | 4,682,000    | 5,053,000    | 4,550,000    | 4,366,000    | 2,365,000    |
| Avis                           | 2,245,000    | 3,609,000    | 1,320,000    | 2,481,000    | 1,715,000    |
| National                       | 1,230,000    | 1,097,000    | 1,173,000    | 1,230,000    | —            |
| <b>Auto parts/accessories</b>  |              |              |              |              |              |
| Gabriel Shocks                 | 1,028,000    | 678,000      | 82,000       | 225,000      | 72,000       |
| Motorcraft                     | 953,000      | 511,000      | 343,000      | 28,000       | 47,000       |
| Delco                          | 950,000      | 215,000      | 71,000       | 93,000       | —            |
| <b>Automobiles</b>             |              |              |              |              |              |
| Ford                           | 31,593,000   | 28,820,000   | 15,199,000   | 21,771,000   | 19,579,000   |
| Chevrolet                      | 30,021,000   | 27,515,000   | 18,780,000   | 21,825,000   | 17,528,000   |
| Chrysler                       | 16,789,000   | 16,325,000   | 12,675,000   | 357,000      | 6,843,000    |
| <b>Bakery goods</b>            |              |              |              |              |              |
| Nabisco                        | 2,932,000    | 2,678,000    | 418,000      | 432,000      | 587,000      |
| Pepperidge Farms               | 1,069,000    | 1,288,000    | 651,000      | 955,000      | 915,000      |
| Sunshine                       | 601,000      | 585,000      | 473,000      | 269,000      | —            |

Estimates prepared by Media Records in 125 markets representing 82% of U.S. total

## Top brand spenders in newspaper space (cont.)

|                               | 1982         | 1981       | 1980       | 1979       | 1978       |
|-------------------------------|--------------|------------|------------|------------|------------|
| <b>Beers</b>                  |              |            |            |            |            |
| Budweiser                     | \$ 1,929,000 | \$ 939,000 | \$ 258,000 | \$ 214,000 | \$ 391,000 |
| Amstel Light                  | 1,464,000    | 10,000     | —          | —          | —          |
| Coors                         | 1,153,000    | 746,000    | 604,000    | 415,000    | 722,000    |
| <b>Books</b>                  |              |            |            |            |            |
| Pocket Books                  | 1,958,000    | 294,000    | 301,000    | 249,000    | —          |
| Doubleday                     | 1,693,000    | 1,542,000  | 1,280,000  | 1,538,000  | —          |
| Literary Guild                | 1,524,000    | 1,444,000  | 1,202,000  | 1,272,000  | —          |
| <b>Bus lines</b>              |              |            |            |            |            |
| Greyhound                     | 1,209,000    | 908,000    | 838,000    | 526,000    | 2,051,000  |
| Trailways                     | 896,000      | 652,000    | 620,000    | —          | —          |
| Blue Bird                     | 441,000      | 201,000    | 111,000    | 50,000     | 38,000     |
| <b>Cameras/photo supplies</b> |              |            |            |            |            |
| Kodak                         | 3,650,000    | 2,401,000  | 3,180,000  | 1,975,000  | 2,432,000  |
| Clark Color                   | 1,904,000    | 1,203,000  | 898,000    | 559,000    | 851,000    |
| Polaroid                      | 1,388,000    | 2,267,000  | 900,000    | 2,420,000  | 2,522,000  |
| <b>Cereals</b>                |              |            |            |            |            |
| Kellogg's                     | 2,044,000    | 2,457,000  | 3,263,000  | 4,011,000  | 4,226,000  |
| General Mills                 | 420,000      | 457,000    | 335,000    | 314,000    | 164,000    |
| Quaker                        | 316,000      | 249,000    | 54,000     | 141,000    | 1,014,000  |
| <b>Cigarettes</b>             |              |            |            |            |            |
| Salem                         | 30,652,000   | 22,311,000 | 29,853,000 | 18,974,000 | —          |
| Benson & Hedges               | 27,039,000   | 7,032,000  | 6,597,000  | 6,524,000  | —          |
| Merit                         | 23,681,000   | 38,133,000 | 29,141,000 | 26,886,000 | 20,507,000 |
| <b>Coffee</b>                 |              |            |            |            |            |
| Maxwell House                 | 1,188,000    | 1,827,000  | 2,032,000  | 1,966,000  | 2,537,000  |
| Taster's Choice               | 1,113,000    | 563,000    | 532,000    | 1,085,000  | —          |
| Nescafe                       | 668,000      | 593,000    | 634,000    | 1,396,000  | 412,000    |
| <b>Condiments</b>             |              |            |            |            |            |
| Hunts                         | 1,190,000    | 879,000    | 212,000    | 927,000    | 324,000    |
| Kraft                         | 1,104,000    | 1,564,000  | 1,048,000  | 884,000    | 3,394,000  |
| Ragu                          | 771,000      | 237,000    | 372,000    | 152,000    | —          |
| <b>Confectionery/snacks</b>   |              |            |            |            |            |
| Hershey                       | 911,000      | 1,233,000  | 264,000    | 358,000    | 163,000    |
| M&M                           | 700,000      | 194,000    | 2,528,000  | 1,688,000  | —          |
| Pepperidge Farms              | 382,000      | 451,000    | 44,000     | 44,000     | 29,000     |
| <b>Couponers</b>              |              |            |            |            |            |
| Market Corp. of Amer.         | 40,751,000   | 3,546,000  | 2,677,000  | 2,139,000  | —          |
| Valassis                      | 38,951,000   | 23,439,000 | 13,456,000 | 9,791,000  | 6,212,000  |
| Blair Inserts                 | 34,233,000   | 21,748,000 | 11,666,000 | 7,929,000  | 5,921,000  |
| <b>Dairy products</b>         |              |            |            |            |            |
| Kraft                         | 1,841,000    | 1,221,000  | 1,119,000  | 694,000    | 1,750,000  |
| American Dairy Assn.          | 887,000      | 768,000    | 534,000    | 334,000    | 520,000    |
| Land O'Lakes                  | 824,000      | 412,000    | 214,000    | 101,000    | —          |

Estimates prepared by Media Records in 125 markets representing 82% of U.S. total



## Top brand spenders in newspaper space (cont.)

|                                  | 1982        | 1981       | 1980       | 1979       | 1978       |
|----------------------------------|-------------|------------|------------|------------|------------|
| <b>Dental supplies/mouthwash</b> |             |            |            |            |            |
| Lever (misc. products)           | \$1,238,000 | \$ 905,000 | \$ 432,000 | \$ 256,000 | —          |
| Reach                            | 592,000     | 548,000    | 329,000    | 162,000    | \$ 276,000 |
| Aim                              | 454,000     | 65,000     | —          | 211,000    | —          |
| <b>Farm &amp; garden</b>         |             |            |            |            |            |
| Snapper                          | 2,667,000   | 2,156,000  | 1,815,000  | 1,619,000  | 1,472,000  |
| Michigan Bulb                    | 2,640,000   | 2,068,000  | 2,024,000  | 1,407,000  | 1,134,000  |
| Toro                             | 2,387,000   | 1,843,000  | 1,950,000  | 1,880,000  | 1,651,000  |
| <b>Floor coverings</b>           |             |            |            |            |            |
| Armstrong                        | 1,640,000   | 1,290,000  | 698,000    | 1,294,000  | 925,000    |
| Congoleum                        | 495,000     | 78,000     | 372,000    | 130,000    | —          |
| Lee's Carpets                    | 428,000     | 330,000    | 639,000    | 646,000    | 274,000    |
| <b>Foods (miscellaneous)</b>     |             |            |            |            |            |
| Kraft                            | 1,009,000   | 1,729,000  | 1,738,000  | 1,739,000  | 484,000    |
| La Choy                          | 719,000     | 659,000    | 604,000    | 486,000    | 429,000    |
| Carnation                        | 670,000     | 490,000    | 834,000    | 632,000    | 269,000    |
| <b>Fruits/vegetables</b>         |             |            |            |            |            |
| Ore-Ida potatoes                 | 841,000     | 536,000    | 144,000    | 254,000    | 166,000    |
| Green Giant                      | 285,000     | 630,000    | 1,027,000  | 301,000    | 463,000    |
| S&W                              | 251,801     | 45,000     | 11,000     | —          | —          |
| <b>Gas/oil</b>                   |             |            |            |            |            |
| Mobil                            | 7,226,000   | 8,105,000  | 5,631,000  | 5,619,000  | 4,130,000  |
| Gulf                             | 1,905,000   | 1,712,000  | 2,539,000  | 1,629,000  | —          |
| Texaco                           | 1,619,000   | 2,667,000  | 2,956,000  | 1,143,000  | —          |
| <b>Home building materials</b>   |             |            |            |            |            |
| Owens Corning                    | 1,628,000   | 1,375,000  | 533,000    | 179,000    | 36,000     |
| Georgia Pacific                  | 1,206,000   | 1,084,000  | 474,000    | 662,000    | 12,000     |
| Shopsmith Tools                  | 869,000     | 711,000    | 505,000    | 192,000    | —          |
| <b>Household Equip. (misc.)</b>  |             |            |            |            |            |
| G-E                              | 2,946,000   | 4,721,000  | 6,506,000  | 3,089,000  | 4,280,000  |
| RCA                              | 1,693,000   | 1,433,000  | 839,000    | —          | —          |
| Maytag                           | 1,405,000   | 1,811,000  | 1,339,000  | 276,000    | 654,000    |
| <b>Insurance — Life</b>          |             |            |            |            |            |
| N.Y. Life                        | 2,267,000   | 1,405,000  | 1,214,000  | 1,129,000  | 1,010,000  |
| Physicians Mutual                | 1,657,000   | 1,184,000  | 841,000    | 719,000    | —          |
| Metropolitan Life                | 1,614,000   | 1,882,000  | 202,000    | 383,000    | 201,000    |
| <b>Jewelry/watches</b>           |             |            |            |            |            |
| Timex                            | 2,292,000   | 1,386,000  | 2,104,000  | 1,628,000  | 774,000    |
| Seiko                            | 1,299,000   | 1,698,000  | 632,000    | 93,000     | 44,000     |
| Oneida Silverware                | 592,000     | 188,000    | 110,000    | 90,000     | —          |
| <b>Liquors</b>                   |             |            |            |            |            |
| Seagrams                         | 3,418,000   | 2,395,000  | 4,397,000  | 3,324,000  | 2,432,000  |
| Wild Turkey                      | 1,466,000   | 1,598,000  | 149,000    | 1,555,000  | —          |
| Schenley                         | 1,306,000   | 868,000    | 569,000    | 442,000    | —          |
| <b>Lotteries</b>                 |             |            |            |            |            |
| Michigan                         | 1,449,000   | 1,341,000  | 1,148,000  | 1,107,000  | 1,134,000  |
| N.Y. State                       | 923,000     | 900,000    | 2,245,000  | 1,648,000  | 1,079,000  |
| Pennsylvania                     | 603,000     | 458,000    | 668,000    | 587,000    | 678,000    |

Estimates prepared by Media Records in 125 markets representing 82% of U.S. total

# Top brand spenders in newspaper space (cont.)

|                                  | 1982         | 1981         | 1980         | 1979         | 1978         |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Magazines</b>                 |              |              |              |              |              |
| Time                             | \$ 2,526,000 | \$ 2,442,000 | \$ 2,034,000 | \$ 1,826,000 | \$ 1,486,000 |
| TV Guide                         | 1,409,000    | 677,000      | 672,000      | 765,000      | —            |
| Sports Illustrated               | 823,000      | 1,874,000    | 1,197,000    | 244,000      | 348,000      |
| <b>Mail Order</b>                |              |              |              |              |              |
| Franklin Mint                    | 8,678,000    | 9,041,000    | 8,270,000    | 6,280,000    | 7,064,000    |
| Spencer Gifts                    | 3,728,000    | 3,426,000    | 6,477,000    | 5,880,000    | —            |
| Mail Box U.S.A.                  | 3,306,000    | 4,969,000    | 2,109,000    | 1,806,000    | 2,776,000    |
| <b>Meats/fish/poultry</b>        |              |              |              |              |              |
| Hormel                           | 3,203,000    | 3,328,000    | 2,208,000    | 1,945,000    | 1,584,000    |
| Perdue Chicken                   | 1,519,000    | 765,000      | 1,096,000    | 1,278,000    | 396,000      |
| Swift                            | 1,039,000    | 745,000      | 783,000      | 942,000      | 803,000      |
| <b>Office equipment</b>          |              |              |              |              |              |
| IBM                              | 7,228,000    | 1,937,000    | 2,874,000    | 1,718,000    | 717,000      |
| Xerox                            | 5,779,000    | 5,045,000    | 3,103,000    | 1,476,000    | 1,507,000    |
| Texas Instruments                | 3,260,000    | 1,094,000    | 1,065,000    | 150,000      | 87,000       |
| <b>Paints</b>                    |              |              |              |              |              |
| Sherwin Williams                 | 353,000      | 457,000      | 204,000      | 148,000      | 493,000      |
| Glidden                          | 342,000      | 720,000      | 389,000      | 297,000      | 296,000      |
| Olympic                          | 327,000      | 1,002,000    | 907,000      | 826,000      | 737,000      |
| <b>Pet foods</b>                 |              |              |              |              |              |
| Purina                           | 2,129,000    | 974,000      | 1,468,000    | 1,244,000    | 1,578,000    |
| Friskies                         | 508,000      | 212,000      | 60,000       | 206,000      | —            |
| Kal Kan                          | 495,000      | 408,000      | 109,000      | 509,000      | 91,000       |
| <b>Phonographs/records/tapes</b> |              |              |              |              |              |
| Columbia                         | 7,153,000    | 5,994,000    | 6,186,000    | 4,452,000    | 6,614,000    |
| RCA                              | 6,966,000    | 5,480,000    | 865,000      | 1,365,000    | 2,379,000    |
| Sony                             | 3,910,000    | 3,509,000    | 3,112,000    | 1,199,000    | 966,000      |
| <b>Prepared dishes</b>           |              |              |              |              |              |
| Stouffers                        | 466,000      | 387,000      | 611,000      | 396,000      | —            |
| Chef Boy Ar Dee                  | 383,000      | 554,000      | 97,000       | 203,000      | 112,000      |
| Riceland Rice                    | 341,000      | 206,000      | 174,000      | 94,000       | —            |
| <b>Public utilities</b>          |              |              |              |              |              |
| N.Y. Telephone                   | 6,565,000    | 2,105,000    | 3,229,000    | 2,388,000    | —            |
| AT&T                             | 4,426,000    | 1,280,000    | 2,336,000    | 1,225,000    | —            |
| Southwestern Bell                | 4,274,000    | 2,494,000    | 2,693,000    | 1,405,000    | —            |
| <b>Radio/tv sets</b>             |              |              |              |              |              |
| RCA                              | 2,991,000    | 3,587,000    | 3,175,000    | 2,422,000    | 2,215,000    |
| Zenith                           | 865,000      | 1,910,000    | 1,633,000    | 2,842,000    | 2,169,000    |
| G-E                              | 816,000      | 450,000      | 183,000      | 214,000      | —            |
| <b>Radio/tv stations</b>         |              |              |              |              |              |
| NBC                              | 11,383,000   | 13,727,000   | 15,488,000   | 12,839,000   | 10,426,000   |
| ABC                              | 10,241,000   | 10,240,000   | 11,808,000   | 10,891,000   | 10,480,000   |
| CBS                              | 8,424,000    | 8,658,000    | 7,870,000    | 8,388,000    | 7,541,000    |
| <b>Real estate</b>               |              |              |              |              |              |
| B. K. Haynes                     | 462,000      | 335,000      | 90,000       | —            | —            |
| General Develop.                 | 245,000      | 590,000      | 487,000      | 226,000      | 107,000      |
| Snyder Ryan                      | 169,000      | 359,000      | 148,000      | —            | —            |

Estimates prepared by Media Records in 125 markets representing 82% of U.S. total

## Top brand spenders in newspaper space (cont.)

|                                   | 1982       | 1981        | 1980        | 1979        | 1978        |
|-----------------------------------|------------|-------------|-------------|-------------|-------------|
| <b>Railroads</b>                  |            |             |             |             |             |
| Amtrak                            | \$ 536,000 | \$3,741,000 | \$2,115,000 | \$3,943,000 | \$3,027,000 |
| Burlington Northern               | 407,000    | 389,000     | 1,147,000   | 385,000     | 323,000     |
| CSX                               | 297,000    | 96,000      | 30,000      | —           | —           |
| <b>Shortenings/oils/margarine</b> |            |             |             |             |             |
| Fleischmann's                     | 642,000    | 416,000     | 397,000     | 125,000     | —           |
| Imperial                          | 482,000    | 349,000     | 204,000     | 150,000     | 62,000      |
| Wesson Oil                        | 434,000    | —           | 47,000      | —           | —           |
| <b>Soaps/cleansers/polishes</b>   |            |             |             |             |             |
| Fresh Start                       | 275,000    | 202,000     | 149,000     | 29,000      | —           |
| Ajax                              | 266,000    | 77,000      | 87,000      | 15,000      | —           |
| Sweater Fresh                     | 241,000    | 21,000      | —           | —           | —           |
| <b>Soft drinks</b>                |            |             |             |             |             |
| Coca Cola                         | 2,535,000  | 2,191,000   | 1,204,000   | 857,000     | —           |
| RC Cola                           | 2,413,000  | 497,000     | 171,000     | 109,000     | —           |
| Pepsi                             | 2,410,000  | 1,659,000   | 917,000     | 536,000     | —           |
| <b>Sporting goods/motorcycles</b> |            |             |             |             |             |
| Yamaha                            | 1,899,000  | 316,000     | 137,000     | 58,000      | —           |
| Honda                             | 1,797,000  | 419,000     | 36,000      | 51,000      | 823,000     |
| Suzuki                            | 920,000    | 118,000     | —           | 145,000     | —           |
| <b>Steamship lines</b>            |            |             |             |             |             |
| Holland American                  | 7,831,000  | 3,789,000   | 4,555,000   | 3,037,000   | 3,294,000   |
| Cunard                            | 5,232,000  | 3,925,000   | 3,580,000   | 2,083,000   | 1,802,000   |
| Princess Mahsuri                  | 4,917,000  | —           | —           | —           | —           |
| <b>Tours/travel service</b>       |            |             |             |             |             |
| American Express                  | 8,557,000  | 5,059,000   | 2,168,000   | 2,028,000   | 2,210,000   |
| Liberty                           | 3,853,000  | 3,312,000   | 2,155,000   | 1,618,000   | 1,391,000   |
| Pleasant Hawaiian                 | 2,334,000  | 1,183,000   | 1,507,000   | 625,000     | —           |
| <b>Trucks/campers</b>             |            |             |             |             |             |
| Ford                              | 3,578,000  | 959,000     | 1,702,000   | 2,787,000   | —           |
| Datsun                            | 2,923,000  | 1,418,000   | 411,000     | 8,227,000   | 264,000     |
| Dodge                             | 1,792,000  | 1,245,000   | 730,000     | 1,159,000   | —           |
| <b>Video games</b>                |            |             |             |             |             |
| Atari                             | 6,830,000  | 1,361,000   | 103,000     | 26,000      | —           |
| Mattel Intellivision              | 4,805,000  | 186,000     | —           | —           | —           |
| Odyssey Video                     | 1,218,000  | 41,000      | —           | —           | —           |
| <b>Vitamins/tonics</b>            |            |             |             |             |             |
| Nutrition Headquarters            | 2,156,000  | 1,695,000   | 1,634,000   | 1,082,000   | —           |
| Maximum Loss Capsules             | 758,000    | 19,000      | 562,000     | 1,698,000   | —           |
| Willpower Diet Tablets            | 731,000    | —           | —           | —           | —           |
| <b>Wearing Apparel</b>            |            |             |             |             |             |
| Ralph Lauren                      | 1,747,000  | 843,000     | 304,000     | 437,000     | —           |
| Jordache                          | 1,326,000  | 1,036,000   | 866,000     | 286,000     | —           |
| Hush Puppies                      | 1,290,000  | 1,636,000   | 964,000     | 789,000     | 684,000     |

Estimates prepared by Media Records in 125 markets representing 82% of U.S. total



# Newspaper advertising investments by top 100 newspaper users in 1981-1982

| Rank                                      | 1981<br>Investments | 1982<br>Investments | Rank                                          | 1981<br>Investments | 1982<br>Investments |
|-------------------------------------------|---------------------|---------------------|-----------------------------------------------|---------------------|---------------------|
| 1. Reynolds, R. J., Industries, Inc.      | \$142,345,000       | \$123,175,000       | 51. General Foods Corp.                       | \$ 6,176,000        | \$ 4,700,000        |
| 2. General Motors Corp.                   | 65,502,000          | 86,965,000          | 52. Western Airlines, Inc.                    | 4,595,000           | 4,693,000           |
| 3. Morris, Philip, Inc.                   | 90,603,000          | 83,794,000          | 53. British Leyland Motors, Inc.              | 2,216,000           | 4,686,000           |
| 4. Ford Motor Co.                         | 31,990,000          | 45,583,000          | 54. United Technologies Corp.                 | 3,554,000           | 4,617,000           |
| 5. British American Tobacco, Ltd.         | 45,910,000          | 42,894,000          | 55. MCA, Inc.                                 | 4,121,000           | 4,594,000           |
| 6. American Telephone & Telegraph Co.     | 21,531,000          | 34,467,000          | 56. Princess Cruises, Inc.                    | 3,458,000           | 4,587,000           |
| 7. Chrysler Corporation                   | 30,957,000          | 29,597,000          | 57. Brown-Forman Distillers Corp.             | 2,863,000           | 4,572,000           |
| 8. RCA Corp.                              | 29,537,000          | 28,273,000          | 58. Gulf & Western Industries, Inc.           | 5,028,000           | 4,506,000           |
| 9. Delta Airlines, Inc.                   | 21,653,000          | 24,665,000          | 59. Capitol Air                               | 2,251,000           | 4,437,000           |
| 10. Pan American World Airways, Inc.      | 17,984,000          | 24,078,000          | 60. Coca-Cola Co., The                        | 4,575,000           | 4,425,000           |
| 11. Loews Corp.                           | 49,591,000          | 22,645,000          | 61. Liggitt Group, Inc.                       | 2,472,000           | 4,278,000           |
| 12. Eastern Airlines, Inc.                | 23,670,000          | 21,625,000          | 62. General Mills, Inc.                       | 4,523,000           | 4,242,000           |
| 13. Time, Inc.                            | 17,825,000          | 20,187,000          | 63. Carnival Cruise Lines                     | 1,042,000           | 4,227,000           |
| 14. Trans World Corp.                     | 17,354,000          | 19,857,000          | 64. Rapid-American Corp.                      | 6,967,000           | 4,150,000           |
| 15. Warner Communications, Inc.           | 13,324,000          | 18,876,000          | 65. Maytag Co., The                           | 2,954,000           | 4,107,000           |
| 16. American Airlines, Inc.               | 20,068,000          | 18,813,000          | 66. Norwegian Caribbean Lines                 | 3,905,000           | 3,953,000           |
| 17. Volkswagen of America, Inc.           | 8,983,000           | 16,025,000          | 67. Nelson Doubleday, Inc.                    | 4,880,000           | 3,907,000           |
| 18. CBS, Inc.                             | 15,823,000          | 15,918,000          | 68. Liberty Travel, Inc.                      | 3,312,000           | 3,853,000           |
| 19. Toyota Motor Sales Co., Ltd.          | 11,229,000          | 15,611,000          | 69. Mercedes-Benz Of North America, Inc.      | 2,149,000           | 3,843,000           |
| 20. American Express Co.                  | 6,430,000           | 11,840,000          | 70. Eastman Kodak Co.                         | 2,510,000           | 3,826,000           |
| 21. Texas Air Corp.                       | 7,631,000           | 10,575,000          | 71. Heinz, H. J., Co.                         | 2,964,000           | 3,712,000           |
| 22. American Broadcasting Companies, inc. | 10,270,000          | 10,299,000          | 72. Carnation Co.                             | 3,812,000           | 3,632,000           |
| 23. Seagram, Joseph E., & Sons, Inc.      | 12,758,000          | 9,851,000           | 73. Nestle Enterprises                        | 3,065,000           | 3,599,000           |
| 24. Nissan Motor Corp., U.S.A.            | 8,824,000           | 9,743,000           | 74. Braniff International Airlines            | 9,382,000           | 3,535,000           |
| 25. U. S. Government                      | 8,799,000           | 9,634,000           | 75. Gillette Company, The                     | 1,985,000           | 3,526,000           |
| 26. Republic Airlines, Inc.               | 7,437,000           | 9,585,000           | 76. Royal Viking Line                         | 1,899,000           | 3,454,000           |
| 27. International Business Machines Corp. | 4,407,000           | 9,488,000           | 77. British Airways                           | 2,255,000           | 3,423,000           |
| 28. Norton Simon, Inc.                    | 9,926,000           | 9,031,000           | 78. Exxon Corp.                               | 1,528,000           | 3,387,000           |
| 29. American Brands, Inc.                 | 13,243,000          | 8,903,000           | 79. Norwegian American Cruises                | 911,000             | 3,346,000           |
| 30. Procter & Gamble Co., The             | 6,077,000           | 8,539,000           | 80. Campbell Soup Co.                         | 4,351,000           | 3,322,000           |
| 31. Northwest Orient Airlines             | 7,621,000           | 8,494,000           | 81. Texas Instruments, Inc.                   | 1,094,000           | 3,319,000           |
| 32. Ransome Airlines                      | 5,180,000           | 8,474,000           | 82. Anheuser-Busch, Inc.                      | 2,484,000           | 3,291,000           |
| 33. Peugeot Motors Of North America, Inc. | 7,581,000           | 8,256,000           | 83. Pacific Southwest Airlines                | 2,791,000           | 3,256,000           |
| 34. Mobil Corp.                           | 8,534,000           | 8,046,000           | 84. Hormel, Geo. A., & Co.                    | 3,525,000           | 3,241,000           |
| 35. Holland America Cruises               | 3,789,000           | 7,831,000           | 85. Frost Co.                                 | 2,935,000           | 3,209,000           |
| 36. Dart & Kraft, Inc.                    | 9,788,000           | 6,976,000           | 86. Volvo Of America Corp.                    | 3,472,000           | 3,154,000           |
| 37. Honda Motor Co., Ltd.                 | 5,301,000           | 6,957,000           | 87. Home Lines Cruises, Inc.                  | 2,380,000           | 3,143,000           |
| 38. Nabisco Brands, Inc.                  | 5,865,000           | 6,225,000           | 88. Johnson & Johnson                         | 4,695,000           | 3,110,000           |
| 39. American Motors Corp.                 | 5,223,000           | 6,059,000           | 89. International Telephone & Telegraph Corp. | 3,720,000           | 3,038,000           |
| 40. General Electric Co.                  | 10,065,000          | 6,054,000           | 90. Greyhound Corp., The                      | 2,319,000           | 2,888,000           |
| 41. UAL, Inc.                             | 19,034,000          | 5,997,000           | 91. Blue Shield Of California                 | 2,720,000           | 2,874,000           |
| 42. Sitmar Cruises                        | 3,107,000           | 5,994,000           | 92. PepsiCo, Inc.                             | 2,712,000           | 2,853,000           |
| 43. Horn & Hardart Co., The               | 5,666,000           | 5,977,000           | 93. World Airways, Inc.                       | 3,354,000           | 2,845,000           |
| 44. Beatrice Foods Co.                    | 5,737,000           | 5,869,000           | 94. Hearst Corporation, The                   | 3,445,000           | 2,790,000           |
| 45. Mattel, Inc.                          | 2,307,000           | 5,800,000           | 95. Royal Crown Cola Co.                      | 1,328,000           | 2,773,000           |
| 46. Xerox Corp.                           | 5,045,000           | 5,779,000           | 96. Air Canada                                | 1,714,000           | 2,700,000           |
| 47. Bavarian Motor Works                  | 2,887,000           | 5,578,000           | 97. Kellogg Co.                               | 3,816,000           | 2,696,000           |
| 48. Unilever U. S.                        | 3,542,000           | 5,337,000           | 98. Saab-Scania Of America, Inc.              | 1,862,000           | 2,691,000           |
| 49. Cunard Line, Ltd.                     | 3,925,000           | 5,232,000           | 99. Estee Lauder, Inc.                        | 1,668,000           | 2,685,000           |
| 50. Sony Corp. Of America                 | 5,728,000           | 5,041,000           | 100. Michigan Bulb Co.                        | 2,068,000           | 2,640,000           |

**Total top 100 national newspaper advertisers \$1,110,846,000**

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# NATIONAL ADVERTISING INVESTMENTS IN NEWSPAPERS IN 1982-1981

By classification, projected to U.S. totals by Media Records (copyright 1982)

| Classification                              | 1982                  | 1981                  | Gain or loss |
|---------------------------------------------|-----------------------|-----------------------|--------------|
| <b>GENERAL</b>                              |                       |                       |              |
| <b>Alcoholic Beverages</b>                  | <b>\$ 98,981,000</b>  | <b>\$ 94,965,000</b>  | <b>+4.2%</b> |
| Beers                                       | 15,605,000            | 10,545,000            | +48.0        |
| Wines                                       | 8,022,000             | 7,451,000             | +7.7         |
| Liquors                                     | 75,354,000            | 76,969,000            | -2.1         |
| <b>Automotive</b>                           | <b>\$ 403,969,000</b> | <b>\$ 369,429,000</b> | <b>+9.3</b>  |
| Gasoline & Oil Companies                    | 22,975,000            | 28,021,000            | -18.0        |
| Leasing & Rentals                           | 36,601,000            | 34,211,000            | +7.0         |
| Parts, Accessories & Supplies               | 11,303,000            | 8,792,000             | +28.6        |
| Passenger Cars (New)                        | 312,279,000           | 281,065,000           | +11.1        |
| Trucks, Trailers & Mobile Homes             | 19,561,000            | 16,243,000            | +20.4        |
| Automotive Not Elsewhere Classified         | 1,250,000             | 1,097,000             | +13.9        |
| <b>Foods</b>                                | <b>\$ 183,070,000</b> | <b>\$ 179,426,000</b> | <b>+2.0</b>  |
| Baby Foods                                  | 519,000               | 305,000               | +70.2        |
| Bakery Goods                                | 14,555,000            | 16,007,000            | -9.1         |
| Baking Mixes, Flour & Ingredients           | 2,031,000             | 2,599,000             | -21.9        |
| Beverages                                   | 36,821,000            | 34,880,000            | +5.6         |
| Coffee                                      | 6,865,000             | 8,925,000             | -23.1        |
| Tea                                         | 1,490,000             | 1,530,000             | -2.6         |
| Fruit & Vegetable Juices                    | 8,562,000             | 7,470,000             | +14.6        |
| Soft Drinks-Carbonated-Diet                 | 1,536,000             | 1,745,000             | -12.0        |
| Soft Drinks-Carbonated-Non Diet             | 13,697,000            | 10,304,000            | +32.9        |
| Miscellaneous Beverages                     | 4,671,000             | 4,903,000             | -4.8         |
| Cereals                                     | 4,520,000             | 4,462,000             | +1.3         |
| Condiments                                  | 10,142,000            | 11,174,000            | -9.2         |
| Confectionery & Snacks                      | 9,460,000             | 9,869,000             | -4.1         |
| Dairy Products                              | 19,391,000            | 21,965,000            | -11.7        |
| Desserts & Dessert Ingredients              | 3,330,000             | 2,229,000             | +49.4        |
| Fruits & Vegetables                         | 9,030,000             | 10,303,000            | -12.4        |
| Macaroni Products-Uncooked                  | 1,647,000             | 1,128,000             | +46.0        |
| Meats, Fish & Poultry                       | 24,158,000            | 21,551,000            | +12.1        |
| Prepared Dinners & Dishes                   | 11,289,000            | 11,733,000            | -3.8         |
| Shortenings, Oils & Margarines              | 12,296,000            | 8,628,000             | +42.5        |
| Soups                                       | 2,143,000             | 2,693,000             | -20.4        |
| Sugars, Syrups & Jellies                    | 2,788,000             | 2,428,000             | +14.8        |
| Miscellaneous Foods                         | 18,950,000            | 17,472,000            | +8.5         |
| <b>Household Equipment &amp; Appliances</b> | <b>\$ 59,899,000</b>  | <b>\$ 67,566,000</b>  | <b>-11.3</b> |
| Air Conditioning                            | 5,209,000             | 7,231,000             | -28.0        |
| Phonographs, Records, Tapes & Recorders     | 23,372,000            | 20,469,000            | +14.2        |
| Radio & TV Sets                             | 7,946,000             | 10,198,000            | -22.1        |
| Ranges, Stoves & Dishwashers                | 7,183,000             | 6,124,000             | +17.3        |
| Refrigerators & Freezers                    | 444,000               | 769,000               | -42.3        |
| Small Electrical Appliances                 | 2,645,000             | 2,861,000             | -7.5         |
| Washers & Dryers                            | 772,000               | 1,051,000             | -26.5        |
| Miscellaneous Household Equipment & Appl.   | 12,328,000            | 18,863,000            | -34.6        |
| <b>Industrial</b>                           | <b>\$ 67,872,000</b>  | <b>\$ 57,158,000</b>  | <b>+18.7</b> |

| Classification                                       | 1982                  | 1981                  | Gain or loss  |
|------------------------------------------------------|-----------------------|-----------------------|---------------|
| <b>General (Cont.)</b>                               |                       |                       |               |
| <b>Insurance</b>                                     | <b>\$ 45,845,000</b>  | <b>\$ 40,688,000</b>  | <b>+12.7</b>  |
| Life, Health & Medical                               | 40,311,000            | 33,326,000            | +21.0         |
| Fire, Casualty & Other                               | 5,534,000             | 7,362,000             | -24.8         |
| <b>Mail Order</b>                                    | <b>\$ 70,607,000</b>  | <b>\$ 72,994,000</b>  | <b>-3.3</b>   |
| <b>Medical Products &amp; Drugs</b>                  | <b>\$ 26,135,000</b>  | <b>\$ 24,040,000</b>  | <b>+8.7</b>   |
| Cold, Cough & Sinus Remedies                         | 2,039,000             | 1,016,000             | +100.7        |
| Digestive Aids & Laxatives                           | 494,000               | 532,000               | -7.1          |
| Headache Remedies & Sedatives                        | 2,723,000             | 587,000               | +363.9        |
| Vitamins, Tonics & Reducing Aids                     | 13,308,000            | 11,095,000            | +19.9         |
| Medicated Skin Products                              | 1,900,000             | 5,530,000             | -65.6         |
| Miscellaneous Medical Products & Drugs               | 5,671,000             | 5,280,000             | +7.4          |
| <b>Political</b>                                     | <b>\$ 22,624,000</b>  | <b>\$ 9,989,000</b>   | <b>+126.5</b> |
| <b>Public Service Utilities &amp; Communications</b> | <b>\$ 68,585,000</b>  | <b>\$ 56,492,000</b>  | <b>+21.4</b>  |
| <b>Publishing &amp; Media</b>                        | <b>\$ 211,687,000</b> | <b>\$ 197,710,000</b> | <b>+7.1</b>   |
| Books                                                | 32,077,000            | 38,298,000            | -16.2         |
| Magazines                                            | 22,175,000            | 23,879,000            | -7.1          |
| Newspapers                                           | 3,857,000             | 2,863,000             | +34.7         |
| Radio & TV Stations                                  | 153,578,000           | 132,670,000           | +15.8         |
| <b>Real Estate</b>                                   | <b>\$ 26,147,000</b>  | <b>\$ 20,954,000</b>  | <b>+24.8</b>  |
| <b>Sporting &amp; Leisure Time Equipment</b>         | <b>\$ 27,772,000</b>  | <b>\$ 13,532,000</b>  | <b>+105.2</b> |
| Sporting Goods                                       | 9,572,000             | 5,823,000             | +64.4         |
| Boats & Equipment                                    | 1,044,000             | 921,000               | +13.4         |
| Hobbies, Toys & Games                                | 17,156,000            | 6,788,000             | +152.7        |
| <b>Tobacco</b>                                       | <b>\$ 315,991,000</b> | <b>\$ 391,283,000</b> | <b>-19.2</b>  |
| Cigars                                               | 865,000               | 2,099,000             | -58.8         |
| Cigarettes                                           | 313,738,000           | 386,375,000           | -18.8         |
| Tobacco & Smoking Accessories                        | 1,388,000             | 2,809,000             | -50.6         |
| <b>Toiletries &amp; Toilet Goods</b>                 | <b>\$ 33,426,000</b>  | <b>\$ 32,506,000</b>  | <b>+2.8</b>   |
| Cosmetics, Make-Up & Manicure Products               | 9,272,000             | 5,150,000             | +80.0         |
| Dental Supplies & Mouthwashes                        | 4,134,000             | 6,364,000             | -35.0         |
| Feminine Hygienic Products                           | 3,408,000             | 4,538,000             | -24.9         |
| Men's Toiletries & Hair Products                     | 1,653,000             | 2,034,000             | -18.7         |
| Men's & Women's Shaving Equipment                    | 3,056,000             | 2,201,000             | +38.8         |
| Perfumes & Toilet Water                              | 2,077,000             | 2,069,000             | +0.4          |
| Toilet Soaps, Bath Powders & Deodorants              | 2,025,000             | 2,413,000             | -16.1         |
| Women's Hair Products & Treatments                   | 795,000               | 1,546,000             | -48.6         |
| Miscellaneous Toiletries & Toilet Goods              | 7,006,000             | 6,191,000             | +13.2         |
| <b>Transportation</b>                                | <b>\$ 420,570,000</b> | <b>\$ 369,191,000</b> | <b>+13.9</b>  |
| Airlines                                             | 239,347,000           | 226,098,000           | +5.9          |
| Domestic                                             | 154,932,000           | 147,153,000           | +5.3          |
| International                                        | 80,542,000            | 76,419,000            | +5.4          |
| Cargo                                                | 3,873,000             | 2,526,000             | +53.3         |
| Bus Lines                                            | 5,720,000             | 4,862,000             | +17.6         |
| Railroads                                            | 7,943,000             | 5,743,000             | +38.3         |
| Steamships                                           | 63,636,000            | 44,858,000            | +41.9         |
| Tours & Travel Service                               | 96,533,000            | 78,610,000            | +22.8         |
| Miscellaneous Transportation                         | 7,391,000             | 9,020,000             | -18.1         |





Photo: Gene Kelly, spokesman, RCA Videodisc

# Home Electronics

Although ad budgets in home electronics are down, the market is highly active. Several new products and product improvements are propelling growth in this market beyond its steady 10% rate. Manufacturers are seeking to expand the market by aiming ads at new target audiences.

Spurred by a host of technological breakthroughs, the home electronics market is taking off this year.

Sales of audio and video equipment have been climbing steadily by 10%. But this year, some new product entries should boost sales even further

and heighten the public's fascination with electronic gadgetry.

Among the most promising new products are digital audio equipment and projection television. The market for both is limited currently because of the products' high price tag. But as

prices should drop by almost half in the next five years, both products are expected to sell well. By 1987, analysts say, some 1.2 million digital audio units will be sold in the U.S. Demand for projection tv this year is already registering a strong 50% sales increase over last year.

A third relatively new product, the video cassette recorder, introduced in 1975, has become more than a fad item. Projections are for 3 million units to be sold this year, almost double last year's rate.

There are some dark spots on the home electronics front, however. Demand is soft for the videodisc player, introduced by RCA in 1981. Although RCA expected to sell more than 200,000 units its first year, in 1982 it only sold 120,000 units.

Sales of stereo equipment have been sluggish too, as consumers await the arrival of digital audio.

Overall, however, the spiraling number of technological breakthroughs are fueling this market's growth at a rapid rate.

Those manufacturers keeping up with the pace will emerge as victors. Those who can't may fall by the wayside.

"The key to who captures stronger marketing share is who has the good technology," says Katherine Stults, a research analyst with Dean Witter Reynolds. "There was a period during the seventies when there weren't any new products."

Sony, Hitachi and Matsushita are given an edge in the electronic race.

"Matsushita and Hitachi were very conservative, going after the attractive markets. But now they have become more aggressive," Stults says.

In addition, Sony's knack at zeroing in first on highly marketable items is highly acclaimed.

"Sony is known as the sexy marketer," says Jim Sagawa, a researcher with Nomura Securities, a leading Japanese brokerage house.

Sony's novelty items, the Walkman, and its portable television, the Watchman, have captured consumers' fancy.

But competitors are beating Sony at its own game. They have nibbled at Sony's substantial market share by copying Sony introductions at cheaper cost and equal quality.

While demand for new and different audio and video equipment has reached an all-time high, the market is expected to expand to \$17.5 billion by 1985 and to nearly \$30 billion by the mid-1990's, according to Predicasts, a Cleveland-based market research firm.

The television, however, will continue to represent the largest entertainment segment, Predicasts reports.

The tv set of the near future, however, may be used in as many ways as the kitchen table. Video games, video recorders, and personal computers will be hooked into the back of the tv set. Sound will be in stereo.

Also on the horizon are recordable video disc units, miniaturization of

audio equipment and a new generation of electronic entertainment centers, allowing consumers to custom design entertainment systems. Long-term, videotex link-ups and direct broadcast satellite television converters may be common fare.

Also undergoing a transformation are the media efforts of the whole industry. Marketing managers are changing their mix of print and broadcast budgets, the look of their ads and even their concepts of target audience.

If their new approach works, ad messages will boost store traffic by bringing in those who have made up a small portion of the high-ticket buyers: women, other first-time buyers and older citizens (anyone who isn't an 18-35 year-old male).

To broaden their target, marketers are striving for a better balance between buff books and the general consumer publications. In the past, dealers have criticized some manufacturers for appearing only in the buff books with ads speaking only to the technology connoisseur.

Befitting that transition, ads have become easier to understand. Fewer ads specify brand distinctions. And more advertising campaigns are promoting audio and video equipment with a lifestyle peg. Pioneer's ads, for one, show a couple using its equipment in an elegant hi-rise apartment. Sony's breaking tv campaign for a video cassette recorder even has a hero: Norman the Wonder Dog. In tv

## Leading advertisers' dollars by media

| Brand           | Total        | Magazines   | News sups | Net tv       | Spot tv     | Net radio | Outdoor   | Newspapers | Spot radio |
|-----------------|--------------|-------------|-----------|--------------|-------------|-----------|-----------|------------|------------|
| Sony            | \$17,248,900 | \$6,988,900 | \$143,900 | \$ 7,137,300 | \$1,565,100 | \$374,100 | \$ 30,700 | \$ 413,600 | \$594,900  |
| RCA             | 16,287,200   | 1,827,100   | —         | 12,428,400   | 1,142,800   | 888,900   | —         | 9,956,900  | 3,200      |
| Zenith          | 15,182,600   | 2,256,000   | —         | 8,372,600    | 3,642,100   | —         | 1,300     | 1,125,900  | —          |
| Matsushita      | 14,620,500   | 6,095,700   | 70,900    | 2,902,600    | 5,199,700   | 180,000   | 191,300   | 204,900    | 599,300    |
| N. Am. Phillips | 7,574,700    | 333,900     | —         | 4,479,600    | 2,702,100   | —         | 59,100    | 384,900    | 845,900    |
| Curtis Mathes   | 6,938,900    | 281,900     | —         | 4,265,500    | 2,361,200   | —         | 30,300    | —          | —          |
| Sears           | 6,452,600    | 2,916,900   | —         | 3,184,300    | 351,400     | —         | —         | —          | —          |
| Pioneer         | 4,969,600    | 3,759,200   | 43,600    | —            | 1,166,500   | —         | 300       | 80,000     | 611,800    |
| JVC             | 4,103,500    | 2,291,300   | 79,800    | —            | 1,171,600   | —         | 450,400   | 29,100     | 81,300     |
| Sanyo           | 3,898,500    | 1,510,600   | —         | —            | 2,384,300   | —         | —         | 3,600      | —          |

Source: Leading National Advertisers, Media Records and Broadcast Advertiser Reports

spots, Norman operates the video equipment.

Although the market forecast for audio and video equipment is good, overall consumer electronics advertising was down in 1982.

During the first half of this year, it also appears light. However, heavy spending normally occurs during Fall and Winter in preparation for the large gift-giving season.

This year, spending should be particularly strong. A host of technological updates for stereos, video discs, video cassette recorders and television have resulted in new ad campaigns to heighten interest and consumer spending.

However, most new products are high-end. Because high prices place them out of reach of most consumer pocketbooks, ads are narrowly targeted. Ads are currently breaking for a product the consumer has been waiting for - digital audio equipment. Some think the crystal-clear sound it produces is worthy of the product's near-\$1,000 price tag.

(Nomara Securities is predicting that 50,000 units will be sold this year.)

Digital audio should be stereo's saviour. Sales of audio equipment have been depressed.

"Audio equipment is not a necessary item and the saturation rate is already high," says Jim Sagawa, a researcher with this leading Japanese brokerage firm. "But interest should pick up with the introduction of digital audio. Consumers may change their entire system then as the new product becomes a very acceptable one."

Sony is expected to capture a sales lead first. It jointly developed digital audio technology, which went on the U.S. market this March.

But Sony's strong start may be short-lived. Sharp, Hitachi and Matsushita, Sony's followers, should gradually capture a larger market share, Sagawa explains.

These manufacturers' strong distribution allows for production of equipment at cheaper cost and equal quality.

A similar pattern occurred when Sony introduced the video cassette recorder in 1975. Although it was the first on the market, JVC, a subsidiary 50% owned by Matsushita, sub-

| Advertising expenditures by company |              |              |
|-------------------------------------|--------------|--------------|
| Brand                               | 1982         | 1981         |
| Sony                                | \$18,102,500 | \$20,645,100 |
| RCA                                 | 26,244,100   | 39,408,400   |
| Zenith                              | 15,182,600   | 17,800,000   |
| Matsushita                          | 14,620,500   | 13,627,800   |
| N. Am. Phillips                     | 7,959,600    | 14,102,900   |
| Curtis Mathes                       | 6,938,900    | 5,531,100    |
| Sears                               | 6,452,600    | 7,259,900    |
| Pioneer                             | 5,049,600    | 11,331,400   |
| Victor (JVC)                        | 4,571,600    | 4,460,300    |
| Sanyo                               | 4,436,700    | 3,347,600    |

Source: Leading National Advertisers, Broadcast Advertiser Reports and Media Records.

sequently came out with its own version, called the VHS format. Several other manufacturers proceeded to develop their recorders using the VHS format. This format currently accounts for nearly 70% of sales of cassette recorders.

Sony's system, called Beta, utilizes different tapes from its competitors. (Owners of the VHS format can't trade video tapes with their incompatible Beta friends.)

Regardless, Sony maintains a reputation for being the "sexy" company, says Sagawa, for its large number of technically advanced products.

Like the market for stereo, which has been flat in anticipation of more advanced technology, the market for television sets is mature. In both market segments, manufacturers are relying on product innovation and value-added features to boost profitability. As with digital audio equipment, the projection tv is expected to entice consumers into the store.

Sales of projection tvs are up by more than 50% early this year as compared to last year. In contrast, color tv set sales are up only by about 5%.

"We think that the market for tv sets can't expect sharp increases because it is a completely mature market," Sagawa says. "There will be slight increases with the general economic recovery but the manufacturers are trying to promote high-value added equipment and the large projection sets to increase profitability."

Growth of video cassette recorders, however, have been phenomenal in their six years on the market.

"The vtr has become established as a major consumer product and any doubts that the recorder was a toy or a fad have been laid to rest," notes Katherine Stults.

It is particularly popular in Japan, where 10% of households own one. Household penetration is estimated at 5% to 6% in Western Europe and 3% to 4% in the U.S. according to Stults.

Among other relatively big buyers, incidentally, are Libya and the OPEC nations of the Middle East.

Last year, for the first time, vcr's saw a little-heralded shift in marketing strategy - toward lower prices, advertised in newspapers. The price wars, however, which resulted from excess inventories, have subsided as overstocking has been corrected.

Previously, new product extensions to the vcr have featured additional capabilities, such as longer recording time, fast-forward and freeze frame. But the current trend is toward fewer features at substantially reduced prices. Portable units in that vein are expected to sell well.

One dark spot on the home electronic front are videodiscs. Though they are two years' new to the market, their longterm potential is not expected to be healthy.

RCA's videodisc, introduced in 1981 after 17 years of research, is already considered antiquated.

"RCA is the only company selling the videodisc in any quantity but their technology is old. They have stretched their technology to its limits," says analyst Stults.

On the other hand, Magnavox and



# Market shares of leading stereo manufacturers

Percentage of unit volume by manufacturer

| Receivers   | 1982  | 1981  | 1980  |
|-------------|-------|-------|-------|
| Pioneer     | 16.9% | 17.6% | 20.5% |
| Technics    | 14.6  | 13.5  | 12.9  |
| Sansui      | 8.9   | 6.9   | 10.1  |
| Yamaha      | 8.6   | 4.4   | 6.6   |
| Sony        | 6.5   | 5.7   | 6.8   |
| Kenwood     | 5.9   | 7.3   | 7.0   |
| JVC         | 5.3   | 4.0   | 3.5   |
| Onkyo       | 3.7   | 2.8   | 2.2   |
| Radio Shack | 2.6   | 4.4   | 2.9   |
| Marantz     | 2.6   | 2.5   | 3.1   |

| Cassette tape decks |      |      |      |
|---------------------|------|------|------|
| Pioneer             | 12.9 | 11.9 | 18.7 |
| Technics            | 12.8 | 10.3 | 7.2  |
| Sony                | 9.9  | 7.8  | 6.4  |
| Teac                | 9.1  | 6.9  | 6.6  |
| Nakamichi           | 7.5  | 5.2  | 4.8  |
| JVC                 | 6.3  | 5.4  | 6.7  |
| Akai                | 5.9  | 6.7  | 7.4  |
| Sharp               | 3.2  | 5.8  | 4.0  |
| Aiwa                | 2.8  | 3.2  | 3.0  |
| Onkyo               | 2.8  | 2.4  | 1.9  |

| Amplifiers |      |      |      |
|------------|------|------|------|
| Pioneer    | 16.6 | 5.9  | 14.1 |
| Sansui     | 13.5 | 11.0 | 9.8  |
| Technics   | 8.7  | 10.5 | 8.2  |
| NAD        | 7.5  | 8.0  | 4.3  |
| Kenwood    | 7.4  | 10.1 | 15.0 |
| Yamaha     | 7.2  | 6.6  | 6.6  |
| Sony       | 4.7  | 2.5  | 3.9  |
| Onkyo      | 4.5  | 2.7  | 4.3  |
| JVC        | 3.3  | 3.2  | 3.9  |
| Akai       | 2.8  | 6.4  | 2.0  |

| Speaker systems    |     |     |     |
|--------------------|-----|-----|-----|
| Pioneer            | 7.5 | 7.5 | 6.8 |
| Bose               | 7.1 | 6.7 | 5.8 |
| Acoustics Research | 5.2 | 3.0 | 3.2 |
| JBL                | 5.0 | 5.4 | 6.2 |
| Polk               | 4.6 | 4.0 | 2.5 |
| Radio Shack        | 3.8 | 4.1 | 3.9 |
| Infinity           | 3.4 | 3.3 | 3.5 |
| Boston Acoustics   | 3.0 |     |     |
| Technics           | 2.7 | 2.0 | 1.8 |
| Jensen             | 2.5 | 2.3 | 1.3 |

| Tuners   | 1982  | 1981 | 1980  |
|----------|-------|------|-------|
| Pioneer  | 12.9% | 8.7% | 10.5% |
| Sony     | 11.2  | 7.1  | 3.8   |
| Sansui   | 9.3   | 7.9  | 7.7   |
| Yamaha   | 7.7   | 7.5  | 10.0  |
| Kenwood  | 7.4   | 5.5  | 8.2   |
| Technics | 6.0   | 9.1  | 7.9   |
| NAD      | 4.7   | 2.6  | 2.1   |
| Nikko    | 3.9   | 4.2  | 3.1   |
| Onkyo    | 3.6   | 2.0  | 3.1   |
| McIntosh | 3.0   | 4.0  |       |

| Car cassette players |      |      |      |
|----------------------|------|------|------|
| Pioneer              | 17.6 | 22.5 | 24.4 |
| Sanyo                | 14.2 | 16.7 | 22.7 |
| Sony                 | 9.2  | 2.0  | —    |
| Jensen               | 8.3  | 6.6  | 5.3  |
| Blaupunkt            | 7.5  | 5.9  | 4.4  |
| Concord              | 6.6  | 4.6  | 4.7  |
| Alpine               | 6.1  | 4.8  | 4.4  |
| Clarion              | 5.4  | 3.0  | 2.9  |
| Craig                | 3.4  | 5.9  | 7.5  |
| Audiovox             | 2.7  | 4.2  | 5.2  |

| Video cassette recorders |      |      |      |
|--------------------------|------|------|------|
| RCA                      | 22.6 | 24.1 | 20.5 |
| Panasonic                | 17.5 | 12.7 | 19.7 |
| Sony                     | 17.4 | 17.7 | 17.1 |
| JVC                      | 13.3 | 10.8 | 8.5  |
| Hitachi                  | 4.5  | —    | —    |
| Magnavox                 | 4.4  | 3.2  | 6.8  |
| Quasar                   | 3.0  | 2.5  | 6.8  |
| Zenith                   | 2.3  | 4.4  | 4.3  |
| Sanyo                    | 2.3  | 4.4  | 4.3  |
| Mitsubishi               | 1.9  | —    | —    |

| Record players |      |      |      |
|----------------|------|------|------|
| Technics       | 30.5 | 28.2 | 27.1 |
| Pioneer        | 10.4 | 11.3 | 11.6 |
| Dual           | 10.1 | 6.5  | 11.3 |
| Sony           | 9.0  | 8.8  | 5.0  |
| JVC            | 5.2  | 3.6  | 3.2  |
| Denon          | 3.1  | 1.6  | 1.2  |
| Bang & Olufsen | 2.7  | 2.0  | 1.9  |
| Yamaha         | 2.6  | 3.2  | 1.2  |
| Kenwood        | 2.0  | 2.2  | 2.3  |
| Onkyo          | 2.0  | 1.8  | 2.0  |

Source: Stereo Review

| TV sets   | 1982  | 1981  |
|-----------|-------|-------|
| RCA       | 20.0% | 20.0% |
| Zenith    | 19.4  | 20.5  |
| GE        | 8.0   | 7.7   |
| Sears     | 7.25  | 7.2   |
| Sony      | 7.0   | 7.0   |
| Magnavox  | 6.5   | 6.9   |
| Quasar    | 5.0   | 4.9   |
| Sylvania  | 4.0   | 4.0   |
| Panasonic | 2.5   | 2.1   |
| Wards     | 2.5   | 2.7   |

Source: TV Digest

# SUPER SUPER SUPER

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Morning and Sunday



Represented by Sawyer Ferguson Walker  
Source: S&MM, Survey of Buying Power,  
July, 1982

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Pioneer are marketing videodiscs which use technology that is too advanced, Stults adds. "They are using the laser system and there is no market for it because the price is too high."

A hybrid system, using both mechanical and laser capabilities, which JVC has developed, is yet to be introduced to the consumer market.

Some 300,000 video disc players are expected to be sold in 1983, according to the Electronic Industry Association in Washington, D.C. But analysts do not expect the videodisc's future to be bright. Among the reasons cited are inability to record on the disc, unlike the video cassette recorder.

"You can repeatedly listen to the same music, but you can't repeatedly watch the same movie. It gets boring," says analyst Sagawa.

"Many Japanese companies are cautious about getting into the field as long as the system only features playback. Furthermore, these companies have invested large sums in vcr's so there is reluctance to support the videodisc," he adds.

However, a prototype of an erasable disc, which can be recorded on, has been developed. Toshiba, Sharp and Matsushita have developed this highly expensive disc. Because of the high price, currently the market is restricted to commercial.

But there is still room for other technological improvements in videodiscs. Among one product being considered is a combination of digital audio equipment with video discs to produce the highest quality sound and picture.

### RCA

Sales of RCA's videodisc player are running more than double last year's level, but the preceeding year was a disappointing one. RCA sold 120,000 units. Its first-year (1981) objective was 200,000 units.

To pick up the pace this year in what promises to be a healthier market all-around, RCA has launched a major magazine campaign. It began late April in 29 publications.

RCA has signed on Gene Kelly as the company's spokesman for the RCA videodisc system, which despite a slow performance, has achieved 89% of all videodisc players. (The CED

technology that RCA's discplayer uses is the cheapest to produce.)

RCA's signing of the popular dancer, director and singer marks the beginning of a campaign which focuses on software to sell the hardware. Kelly is shown using the videodisc at home. The emphasis is on family entertainment, concerts, movie releases, sports and children's programming.

"We got Kelly to promote the RCA system because his family had purchased a product. He also liked the list of titles we have in discs family entertainment, not pornography," said Bill Beres, national advertising manager for RCA's consumer electronic division.

"We're also excited about Kelly because he has never done commercial endorsements except for one short spot for Air France a long while ago," he added.

"Kelly can talk to a variety of age groups. He represented American entertainment in the 50s and 60s, being an important part of the culture. But he not only does well among older adults but also the 18-34 year olds," Beres said. Like most other manufacturers, RCA advertises its video cassette recorder in magazines.

"It's a feature story so it is best told in print," Beres said. "We are targeting men upscale so we are using, among others, the *New Yorker* and *Business Week*."

While RCA markets the videodisc player by selling software, the manufacturer stresses product distinctions in marketing its cassette recorder.

This year, RCA is marketing a portable model without cables and a table model.

Although RCA hasn't completed plans for advertising the color tv set for the Fall — the peak selling season — it is currently running print ads for three product lines. An ad for a high-performance tv set shows how the tv set can be easily linked with video and audio components without a maze of wires. To show how the video products can be hooked into the back of the set, RCA's agency, Leo Burnett developed a novel approach. It uses the front and back side of a magazine page for the ad.

RCA is also advertising a remote digital command center. The ad runs in

upscale, dual audience books as well as *Playboy* and *Sports Illustrated*. RCA advancement, the capability of fitting a 25" picture into the space of a 19" set is being advertised.

## Zenith

Zenith's major thrust this year is an ad campaign breaking after Labor Day, which ties the Zenith products under one umbrella.

"We are stressing advanced technology across all product lines. We think this campaign is going to move like gangbusters," said Joseph L. Ptacin, director of advertising and sales promotion.

But Zenith intends to keep specifics about the ad campaign a secret. Ptacin is saying that the campaign is multimedia and nationwide, however.

In the past, Zenith's tag line, "The quality goes in before the name goes on," has been highlighted in television spots during primetime and sports and magazines. In addition, distributors buy spot radio and newspapers with co-op advertising dollars.

Zenith and RCA, which are racing for market share lead in color tvs, have defined their targets quite differently. RCA advertises in several upscale magazines, including *Architectural Digest*, *Metropolitan Home*, *Bon Appetit* and *Smithsonian*. And while Zenith advertises in a few upscale books, it also seeks to reach the black market with *Ebony* ads and older adults with *Reader's Digest*.

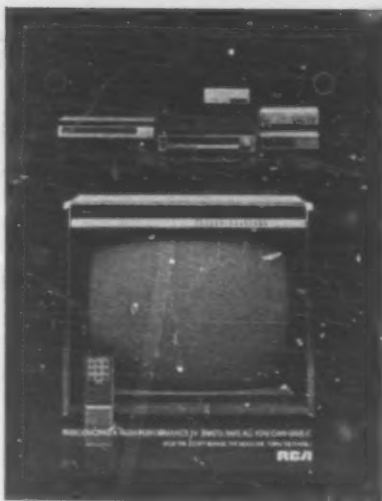
Zenith's target, according to Bruce Smith, group media director at Foote, Cone & Belding, is adults 25-49. But he said, Zenith is increasingly after younger quality seekers.

## Sanyo

Sanyo is well-known as a producer of high-quality equipment at affordable prices, but its new emphasis is on high-end, especially in video.

It is introducing a new special effects video cassette recorder in early Summer, which features slow motion, frame advance and production with extreme clarity.

Tv spots in 23 markets broke mid-April with print ads beginning with May issues, according to Paul Worsham, marketing services director. The spots are Olympic-themed, with three



**RCA highlights video products under Selectavision imprint.**

actor/athletes visually demonstrating clarity of the picture.

"We want to front-load the market to get maximum reach and frequency against our target for video products - males 24-49 with an income of \$30,000," Worsham said.

In audio, Sanyo plans to continue to rifle shoot the target markets, going into music, sports and automotive enthusiast books. For the first time, Sanyo is also directing a special effort toward females.

Sanyo is advertising in *Glamour* because it is the only women's publication with regular coverage of consumer electronics, Worsham said.

Sanyo, which maintains a solid market position in both mini radio/tape players and car stereos, broke print ads for both products last May. The ads, which feature Sanyo's high-quality sound, are running in *CW & Driver*, *Road & Track*, *Rolling Stone*, *Sports Illustrated*, *Life* and *Glamour*.

## Matsushita

Matsushita's hi-tech image runs across several product categories with particularly strong showings in turntables, cassette tape decks and video cassette recorders.

Matsushita advertises its brands, Panasonic, Quasar and Technics, with a strong belief in print.

According to media supervisor, Prem Rishi, Matsushita uses a core of 25 books, including men's, mass and dual audience books. Among those on the list are *Sports Illustrated*, *Life*,

*People*, *Reader's Digest*, *Playboy* and *Penthouse*.

As is common with others, the huge Japanese manufacturer uses newspaper supplements heavily for dealer tie-in programs. Outdoor is bought, Rishi says, to enhance the national campaign and to create continuity.

Matsushita uses network and spot television sparingly. Network does the job of creating brand awareness and brand name while spot tv develops a greater concentration in the top 15 ADI's, Rishi adds.

Matsushita finds that spot radio pulls particularly well for radio cassette but the medium also adds dimension to existing print and spot tv campaigns.

## Sony

Sony breaks from custom this Summer with a new creative approach and an unusual marketing strategy. While most competitors have emphasized product distinctions in print ads, Sony is launching a video cassette recorder ad in June which makes the product seem fun.

In the ads, Norman the Wonder Dog operates the vcr, making the point that the recorder is easy to use.

"The ads are full of personality and style," says Jeff Brooks, national advertising manager.

Sony's second departure from custom is to break the campaign before the peak fall selling season.

"As the economy turns around, we want to influence decisions before the Fall," Brooks said. "Traditionally, vcr's have been an underspent category."

Sony is also running print ads which strategically position its equipment as being technologically advanced and expandable. The highly informational ads stress that Sony's beta formula video cassette recorder is better than its competitor's format. They also promote the idea that Sony's video camera is nearly as precise as the human eye. A third print ad promotes Sony's portable video camera.

In addition, Sony is aggressively advertising two other product advances - a portable all-in-one recorder/camera and the beta hi-fi, which produces sound supposedly second only to digital audio.



Sony's Trinitron color tv set is priced at 15% above the average television set, so Sony has to give the consumer sound reasons to buy the set.

The ad story is one of premium positioning. Trinitron's quality is advertised in *Time*, *Newsweek*, *Sports Illustrated*, *Video Review*, *Video*, *National Geographic* and *Discover*.

Sony also spends heavily in network television to promote the Trinitron. "We believe that color tv leads itself to the broadcast medium," Brooks said.

Sony's fresh new product, the Walkman, continues to the sales lead although market share is beginning to slip.

Sony's best Walkman ads have been word-of-mouth. People who wanted to keep up with the latest technology were the Walkman's first customers and its advertisers. The market has expanded dramatically among those not only seeking fun on roller skates, for example, but also for those seeking isolation.

Sony also has broken ground with a personalized tv set, the Watchman. According to Brooks, the company just couldn't sell enough of these "he-tv, she-tv" sets last Christmas. This year, it's expanding production and advertising of the Watchman.

## JVC

Like several other manufacturers, JVC has created a new marketing strategy, seeking to build brand image and awareness by incorporating several products under one umbrella ad theme.

"We have not been permitted to do this before. What we are doing it for is a basic marketing 101 reason - for synergism," says Cliff Shearer, national advertising manager.

"We have been growing in leaps and bounds despite the recession and our growth requires that we take a new approach," Shearer adds.

Shearer notes that JVC used to sell itself as JVC Who? That slogan became a familiar sight in outdoor ads ranging from subway stations to airports.

"After we started outdoor ads, we started to notice an increase in recognition," Shearer says.

"I think going into outdoor was one



**Pioneer plugs the media room concept for its complete entertainment package, in its magazine campaign.**

of the smartest things we ever did," he adds.

JVC is also a larger print advertiser.

"We are magazine heavy because of the type of products we have. They require getting your head into them," he explained. "We go for the editorial environment that captures the profile of our target - male, 25-49, married with a family and an income over \$35,000."

Although Shearer notes that the market for high-fidelity has broadened, the marketer is heavy in buff books because of budgetary limitations. To create awareness of the JVC video cassette recorder, Shearer says he is turning to spot television in A and B counties. JVC's share of the video cassette recorder market is rapidly growing. Its recorders currently account for more than 13% of unit sales.

## Pioneer

Pioneer's strong market lead in audio equipment is being chipped away by several major competitors, among them Technics, Sansui, Sony, and Teac.

Coupled by Pioneer's dramatic sales loss is a dramatic cutback in advertising support. Last year, Pioneer cut its over \$10 million budget in half.

Pioneer has sliced ad support for its laser videodisc player and laser projection tv. Budgets also have been

trimmed for Pioneer's stereo components. Audio component's budget is up slightly.

Pioneer can't buy much tv for its \$5 million budget but Sally Masters, media supervisor, says the company feels that print provides the perfect coverage anyway.

Pioneer advertises to the primary stereo buyers with ads in *Playboy* and *Rolling Stone*, she says.

"We would rather go after 12-month coverage in print than buy 30 tv spots for \$3 million," Masters notes.

## North American Phillips

Subsidiary Magnavox is fueling its new digital audio player with a substantial budget. The campaign, which breaks early Summer, uses radio and print.

However, Magnavox has halted advertising for its videodisc player and video cassette recorder, concentrating on distribution instead, according to Rita Hutner, Magnavox advertising vice president.

Magnavox' color tv, which has a sizeable showing in the mid-price range, continues to be advertised heavily, Hutner says. Because the target is so broad-based, she says, Magnavox advertises in network tv, spot tv and cable. The budget restrains her from using more print, she says.

Taken as a whole, the home electronics brand category is at once dynamic, innovative and burgeoning. All the major manufacturers have either added product improvements or have added new products to the line. And sales at virtually all but Pioneer have been growing at an impressive rate.

Japanese competitors, in particular Sony, Hitachi, and Matsushita, have been highly aggressive in taking risks with new products yet to be proven at the marketplace.

While the competition in technology has been intensifying, the name of the game also is in timing and pricing. Those manufacturers that can provide the consumer with new products at competitive prices will not only advance the state of the art, but will also enhance their position in this very active market.

— Rebecca Fannin

MARKETING  
MEDIA

# Decisions

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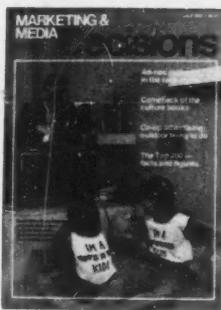
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MARKETING &  
MEDIA

12th ANNUAL REPORT

# Decisions

# THE TOP 200 BRANDS

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12th ANNUAL REPORT on national advertising expenditures by each brand in each of eight major media in 1982 and 1981.

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Key advertising decision makers for each brand in company marketing and agency media departments.

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Alphabetical index of the 200 most-advertised brands in the U.S.

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Total expenditures of the Top 200 in 1979, 1980, 1981 and 1982.

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Analysis of major trends among the Top 200 Brands.

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# Introduction to Top 200 Brands Directory

This report is the twelfth annual report by *Marketing & Media Decisions* of major brand activity, brand expenditures in each of the eight major media and the key media decision-makers for each brand, the company and at their advertising agency. The report accounts for nearly half the total dollars invested by national advertisers in the eight major national media, which are magazines, supps, newspapers, network tv, spot tv, network radio, spot radio and outdoor.

An alphabetical index of brands, giving the ranking of each brand in order of total expenditures in two sections of the report. The first section shows brand, parent company, categories ranked in order of total expenditures in two sections of the report. The first section also shows brand, parent company, categories in which the brand spent most of

its dollars and total expenditures in each year 1979, 1980, 1981 and 1982.

The second section gives individual media expenditures for each brand in 1981 and 1982, categories in which brand was most active (as defined by Leading National Advertisers) principal agencies, media decision-makers in companies and agencies.

The data is a special compilation by *Decisions* of best available expenditure estimates by Leading National Advertisers (LNA), Publishers Informations Bureau (PIB), Broadcast Advertisers Reports (BAR), Media Records, Inc. Radio Expenditure Reports (RER), Radio Advertising Bureau (RAB), Institute of Outdoor Advertising and *Decision* estimates. We have organized the data by basic brand names and combined variations of brand.

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| Columbia Pictures | 68  | Kodak                  | 31  | Plymouth          | 103 | Warner            | 89  |
| Columbia Records  | 95  | Kool                   | 22  | Polaroid          | 64  | Wendy's           | 72  |
| Coors             | 97  | Kool-Aid               | 147 | Pontiac           | 40  | Whirlpool         | 157 |
| Cover Girl        | 81  | Kraft                  | 11  | Post              | 35  | Winston           | 42  |
| Crest             | 62  | L'eggs                 | 132 | Preparation H     | 180 | Woolite           | 196 |
| Crisco            | 140 | Levi's                 | 165 | Prudential        | 200 | Woolworth         | 16  |
| Datsun            | 18  | Lincoln                | 107 | Purina            | 15  | Wrigley           | 48  |
| De Beers          | 163 | Lipton                 | 85  | Quaker            | 127 | Xerox             | 56  |
| Delta             | 51  | Long John Silver       | 158 | RCA               | 78  | Zenith            | 189 |

# Shifts Occur in Top 200 Brands

**Budget boosts** among the top 200 brands in 1982 were 10% on average. This was less than in 1977 (17%) and 1978 (15%) among the most advertised brands. But it was about the same as in 1979, 1980 and 1981. The increase in media expenditures of the top 200 more than matched price increases — budgets up 10.1%, prices up 3.9%. This represents a real increase in the amount of advertising used. It represents more than a holding action at higher prices, with some advertisers doing aggressive transitions, and others holding back.

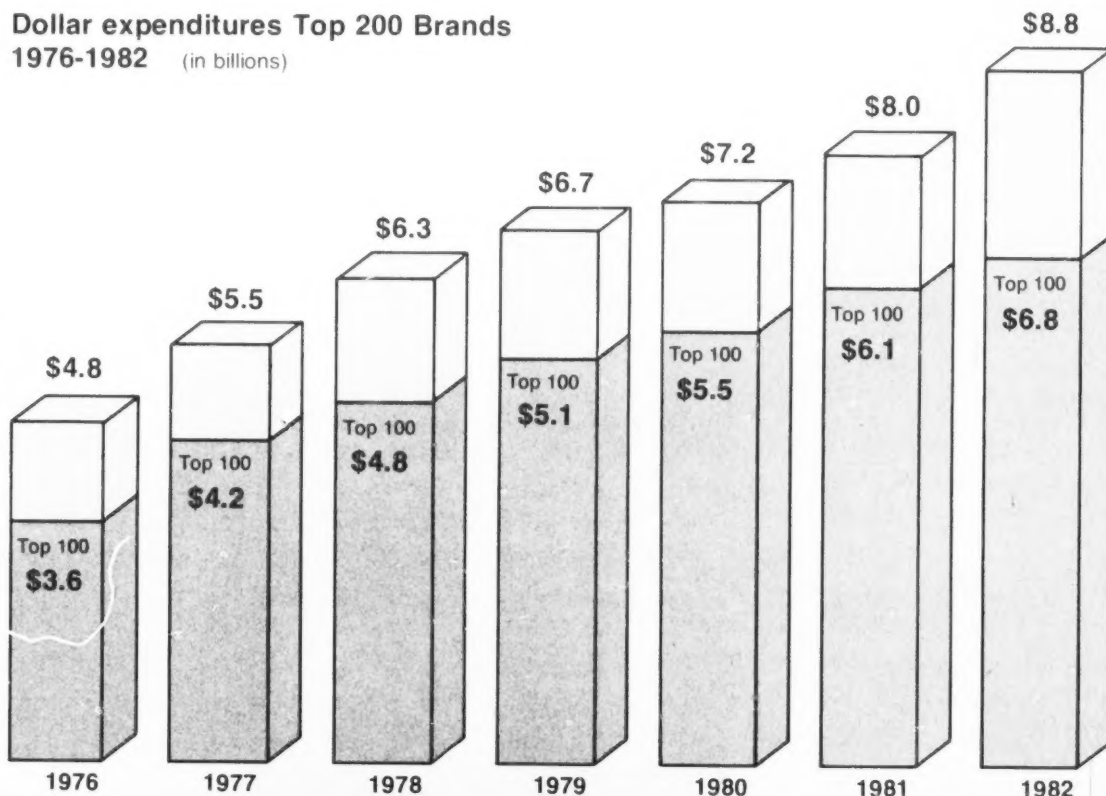
**20 brands were added** to the top 200 list in 1982. They were: Atari, Avis, Barclay, BMW, Bounce, Cheer, Coleco, Downy, Glad, Heinz, L'Oreal, MCI, Mercedes Benz, National Inquirer, Nissan, Parker Brothers, Texas Instruments, Timex, Visa, Woolite. Among these

only three had been on the list in previous years without appearing in 1981: Timex, Bounce and Downy.

**Entry fee** required to be listed as one of the top 200 advertised brands rose to \$15,159,000 from \$14,332,000 in 1981. The average increase to make the list was 5.7% over the year before.

**Leadership in the top 10** shifted slightly in the year. Of the top 25, only five were the same in 1982 as in 1981. Moving down the list, but still within the top 30 were Woolworth, Merit and Kodak. This movement was more than compensated by significant increases for Mattel, Kool and Benson & Hedges. The leaders remained the traditional ones: the five largest retail chains, four domestic automotive leaders (Ford, Chevrolet, Chrysler, Dodge), two auto importers

**Dollar expenditures Top 200 Brands**  
1976-1982 (in billions)





# Shifts Occur in Top 200 Brands

(Toyota and Datsun), food and drink marketers (McDonald's, Kraft, Budweiser, Miller, Burger King), Cigarettes (Marlboro, Kool, Benson & Hedges, Merit, Barclay).

**The drop-outs** in 1982 were: Bufferin, Cambridge, Century/21, Comtrex, Excedrin, Gaines, Head & Shoulders, High Point, Kleenex, Kotex, K-Tel, Pert, Triumph.

**VISA worked its way into the** top 200 ranking but, conspicuous by their absence were the remaining giant financial advertisers (the insurance companies, banks, diversified Wall Street houses). Only several were among the top 200 advertisers: Allstate and Prudential. If the current flurry of activity in the financial market continues, there should be a substantial influx into the top 200 during the next decade.

## Share of total expenditures

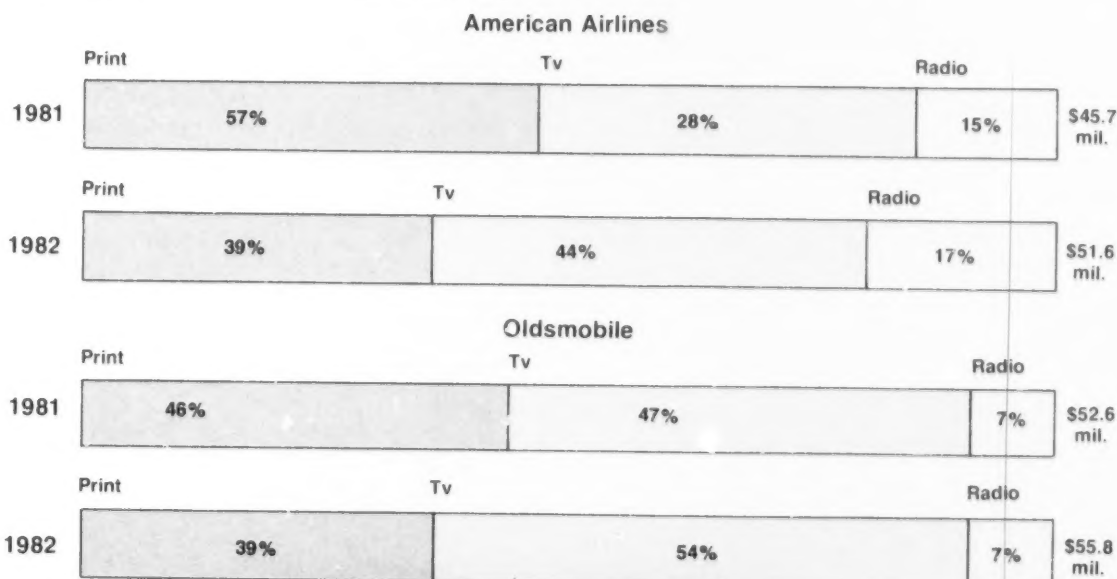
in the eight major media that the top 200 brands accounted for in 1982 was 44%. The eight media total for the top 200 was \$8,845,355,000. Expenditures in national time and space in the eight media by all advertisers was \$20,159,000,000. If

you get even more exclusive and look at the top 100 brands alone, you get an eight media expenditure of \$6,774,019,000, or 33.6% of all dollars in those national media.

**What's a brand?** We'll never get everybody to agree on what should be defined as a brand, but we're getting closer. This is the twelfth annual top brand expenditure report, and it's accepted now as official. We have also over the years incorporated reader requests into the reports. The basic definition we go by is "all advertising put behind a brand name." Post Cereals, for example, out of General Foods; the varied food products marketed under the Kraft label; the paints, apparel, fabrics, auto accessories and other manufactured products sold under the Du Pont banner; everything advertised as a Sears product; many types of insurance; but Camel cigarettes by itself (R. J. Reynolds).

**Significant increases in** budgets were achieved by Miller (31%), Budweiser (56%), Marlboro (27%), Kool (273%), Benson & Hedges (86%), Pizza Hut (156%), General Motors (74%), IBM (49%), Tylenol (74%).

### Typical media allocation differences



# Top 200 Millionaire Brands 1979-1980-1981-1982

| BRAND NAME (AND PARENT COMPANY)     | CLASSIFICATION                 | 1982           | 1981           | 1980           | 1979           |
|-------------------------------------|--------------------------------|----------------|----------------|----------------|----------------|
| 1. Sears (Sears, Roebuck and Co.)   | Retail                         | \$ 556,068,000 | \$ 505,372,000 | \$ 474,390,000 | \$ 405,835,000 |
| 2. K mart (K mart Corp.)            | Retail                         | 325,302,000    | 301,096,000    | 274,495,000    | 244,365,000    |
| 3. Penney's (J.C. Penney)           | Retail                         | 288,563,000    | 269,621,000    | 249,754,000    | 250,979,000    |
| 4. Ford (Ford Motor Co.)            | Cars, trucks                   | 253,733,000    | 223,505,000    | 197,763,000    | 175,264,000    |
| 5. Chevrolet (General Motors)       | Cars, trucks                   | 185,170,000    | 156,465,000    | 138,741,000    | 161,123,000    |
| 6. Wards (Mobil Corp.)              | Retail                         | 167,878,000    | 170,940,000    | 166,600,000    | 159,821,000    |
| 7. McDonald's (McDonald's Corp.)    | Restaurants                    | 163,206,000    | 134,046,000    | 130,862,000    | 142,569,000    |
| 8. AT&T/Bell                        | Communications                 | 161,756,000    | 171,783,000    | 136,515,000    | 93,050,000     |
| 9. Toyota (Toyota Motors)           | Cars, trucks                   | 118,036,000    | 121,232,000    | 91,707,000     | 67,203,000     |
| 10. Miller (Philip Morris)          | Beer                           | 113,276,000    | 86,108,000     | 76,239,000     | 59,237,000     |
| 11. Kraft (Dart & Kraft Inc.)       | Cooking, dairy, prepared foods | 107,051,000    | 96,902,000     | 77,785,000     | 74,470,000     |
| 12. Budweiser (Anheuser-Busch)      | Beer                           | 104,897,000    | 67,037,000     | 49,032,000     | 36,518,000     |
| 13. Chrysler (Chrysler)             | Cars, trucks                   | 101,983,000    | 81,515,000     | 57,035,000     | 47,170,000     |
| 14. Kellogg's (Kellogg Co.)         | Cereals                        | 96,530,000     | 96,902,000     | 77,785,000     | 74,470,000     |
| 15. Purina (Ralston Purina)         | Pet foods                      | 94,605,000     | 63,905,000     | 78,824,000     | 76,890,000     |
| 16. Woolworth (F.W. Woolworth)      | Retail                         | 93,517,000     | 141,796,000    | 135,285,000    | 131,886,000    |
| 17. Atari (Warner Communications)   | Games                          | 86,338,000     | 30,660,000     | —              | —              |
| 18. Datsun (Nissan Motors)          | Cars & trucks                  | 85,540,000     | 82,529,000     | 65,711,000     | 65,477,000     |
| 19. Mattel (Mattel)                 | Games                          | 85,064,000     | 41,782,000     | 25,436,000     | 26,267,000     |
| 20. Honda (Honda Motor Co.)         | Cars, cycles                   | 83,172,000     | 52,140,000     | 36,557,000     | 26,592,000     |
| 21. Marlboro (Philip Morris)        | Cigarettes                     | 75,805,000     | 59,356,000     | 48,678,000     | 45,388,000     |
| 22. Kool (B.A.T. Industries)        | Cigarettes                     | 74,323,000     | 19,886,000     | 31,755,000     | 28,849,000     |
| 23. Benson & Hedges (Philip Morris) | Cigarettes                     | 66,810,000     | 35,871,000     | 30,773,000     | 30,630,000     |
| 24. Merit (Philip Morris)           | Cigarettes                     | 66,037,000     | 75,228,000     | 55,640,000     | 51,777,000     |
| 25. Pepsi-Cola (PepsiCo)            | Soft drinks                    | 65,989,000     | 53,751,000     | 55,001,000     | 57,186,000     |

## Sources

**Consumer magazines and supps:** data summarized from the PIB Magazine Analysis prepared by Leading National Advertisers (LNA) of actual lineage run in those media. Expenditures are based on current one-time gross rates before discounts. Rates for national full-run insertions are based on ad size and coloration. Rates for regional and less than full-run insertions are determined by LNA editors on circulation and rates supplied by the magazines. Covered are almost 100 consumer magazines and three national supps, plus tear sheets of over 1,500 regional editions a year.

**Newspapers:** data compiled by Media Records, which measured every ad in 221 daily and Sunday newspapers. Actual lineage is multiplied by the one-time general open line rate as of January 1982. Dollar estimates include newspaper supps, preprinted inserts, comics, rotogravure, all color ads. Data is estimated to cover 82% of national newspaper lineage. *Marketing & Media De-*

*cisions* has added estimates of local expenditures in newspapers by the five leading chain retailers because the extent of their operations makes their brands, in effect, "nationally" advertised as well as distributed.

**Network tv and network radio:** data secured by Broadcast Advertisers Reports (BAR), which monitors all network broadcasts except those of the Mutual radio network. Material is collected on audio tape and then translated into a sequential listing. Network tv and network radio rates are based on estimates provided by the three networks of per-minute cost for time and talent.

**Spot tv:** data secured by Broadcast Advertisers Reports (BAR) from listening posts in 75 top markets that monitor 278 stations for one week each month. These weekly records are projected to estimates of monthly spot tv usage. Spot tv rates are applied from a station rate deck that is constantly updated by agency buyers. The estimates represent about 90% of the dollars in spot tv.

**Spot radio:** data generated by Radio Expenditure Reports (RER) is calculated from a sample of 800 stations in 150 markets. RER's sources are 11 radio reps handling station groups which supply quarterly com-

puter runs by station, by market, by brand of spots aired — plus similar reports from stations in 150 markets. Expenditures are projected to an adjusted national gross figure based on a formula provided by Radio Advertising Bureau (RAB). Estimates cover about 80% of total national spot radio.

**Outdoor:** data is based on information submitted to Leading National Advertisers (LNA) at the request of the Institute of Outdoor Advertising by outdoor plant operators in markets of 100,000 population or over. Covered is about 80% of total national outdoor advertising expenditures.

**Brand dollar estimates** are retabulated by *DECISIONS* by major brand name from the data just described. This represents the one place where the data from all these sources are presented together. The brand data in greater detail is also available from each of the organizations that compile the data. Leading National Advertisers publishes detailed listings of the information on magazines, supps, network tv, spot tv, network radio, and outdoor. References to LNA classifications are provided throughout this report for further reference in LNA's reports: Company/Brand \$; Class/Brand \$.

# Top 200 Millionaire Brands 1979-1980-1981-1982

| BRAND NAME (AND PARENT COMPANY)              | CLASSIFICATION                  | 1982          | 1981          | 1980          | 1979          |
|----------------------------------------------|---------------------------------|---------------|---------------|---------------|---------------|
| 26. <b>Barclay</b> (B.A.T. Industries)       | Cigarettes                      | 65,977,300    | 107,779,000   | —             | —             |
| 27. <b>Volkswagen</b> (Volkswagen Werk A.G.) | Cars, trucks                    | 65,599,000    | 50,476,000    | 46,063,000    | 30,915,000    |
| 28. <b>Dodge</b> (Chrysler)                  | Cars, trucks                    | 65,376,000    | 67,067,000    | 50,271,000    | 62,640,000    |
| 29. <b>Burger King</b> (Pillsbury)           | Restaurants                     | 65,165,000    | 48,797,000    | 45,075,000    | 45,109,000    |
| 30. <b>Pizza Hut</b> (Pepsico)               | Restaurants                     | 62,945,000    | 24,574,000    | 18,262,000    | 14,411,000    |
| 31. <b>Kodak</b> (Eastman Kodak)             | Cameras                         | 61,987,000    | 65,126,000    | 54,400,000    | 60,090,000    |
| 32. <b>Salem</b> (R.J. Reynolds)             | Cigarettes                      | 61,551,000    | 48,811,000    | 66,831,000    | 48,193,000    |
| 33. <b>General Motors</b> (General Motors)   | Corporate                       | 61,465,000    | 35,211,000    | 39,554,000    | 50,624,000    |
| 34. <b>United Airlines</b> (UAL)             | Passenger travel                | 60,455,000    | 47,497,000    | 47,377,000    | 37,008,000    |
| 35. <b>Post</b> (General Foods)              | Cereals                         | 58,635,000    | 45,956,000    | 33,390,000    | 28,298,000    |
| 36. <b>Oldsmobile</b> (General Motors)       | Cars                            | 55,782,000    | 52,062,000    | 41,673,000    | 29,195,000    |
| 37. <b>Anacin</b> (American Home Products)   | Medicines                       | 55,669,000    | 44,641,000    | 43,513,000    | 39,671,000    |
| 38. <b>Coca-Cola</b> (Coca-Cola USA)         | Soft drinks                     | 55,611,000    | 46,879,000    | 44,988,000    | 46,364,000    |
| 39. <b>American Express</b> (Shearson/A.E.)  | Financial, travel               | 54,363,000    | 47,310,000    | 37,723,000    | 33,811,000    |
| 40. <b>Pontiac</b> (General Motors)          | Cars                            | 53,658,000    | 48,698,000    | 36,664,000    | 37,686,000    |
| 41. <b>Michelob</b> (Anheuser-Busch)         | Beer                            | 53,597,000    | 44,847,000    | 33,623,000    | 33,765,000    |
| 42. <b>Winston</b> (R.J. Reynolds)           | Cigarettes                      | 53,168,000    | 67,655,000    | 48,344,000    | 59,230,000    |
| 43. <b>Mazda</b> (Toyo Kogyo)                | Cars, trucks                    | 52,683,000    | 25,552,000    | 30,918,000    | 28,427,000    |
| 44. <b>Clairol</b> (Bristol-Myers)           | Hair products                   | 51,670,000    | 46,944,000    | 47,487,000    | 59,737,000    |
| 45. <b>Maxwell House</b> (General Foods)     | Coffee                          | 51,578,000    | 45,609,000    | 45,090,000    | 51,011,000    |
| 46. <b>American</b> (American Airlines)      | Passenger travel                | 51,564,000    | 45,661,000    | 41,958,000    | 29,132,000    |
| 47. <b>Eastern</b> (Eastern Air Lines)       | Passenger travel                | 51,234,000    | 43,486,000    | 40,182,000    | 29,126,000    |
| 48. <b>Wrigley Gum</b> (Wm. Wrigley Jr.)     | Gum                             | 48,547,000    | 43,275,000    | 35,617,000    | 43,516,000    |
| 49. <b>Buick</b> (General Motors)            | Cars                            | 48,503,000    | 45,216,000    | 39,931,000    | 36,114,000    |
| 50. <b>IBM</b> (Intl. Business Machines)     | Office machines                 | 46,434,000    | 31,215,000    | 24,427,000    | 26,567,000    |
| 51. <b>Delta</b> (Delta Airlines)            | Passenger travel                | \$ 45,653,000 | \$ 39,772,000 | \$ 34,897,000 | \$ 29,832,000 |
| 52. <b>Kentucky Fried Chicken</b> (Heublein) | Restaurants                     | 44,059,000    | 36,551,000    | 30,998,000    | 32,633,000    |
| 53. <b>Tylenol</b> (Johnson & Johnson)       | Medicines                       | 43,987,000    | 36,766,000    | 26,495,000    | 23,670,000    |
| 54. <b>Canon</b> (Canon Inc.)                | Cameras                         | 42,551,000    | 33,225,000    | 28,244,000    | 18,012,000    |
| 55. <b>Vantage</b> (R.J. Reynolds)           | Cigarettes                      | 42,087,000    | 58,393,000    | 56,689,000    | 46,176,000    |
| 56. <b>Xerox</b> (Xerox Corporation)         | Office machines                 | 41,734,000    | 29,532,000    | 21,148,000    | 15,165,000    |
| 57. <b>Pillsbury</b> (Pillsbury Co.)         | Bakery, cooking, prepared foods | 41,550,000    | 36,480,000    | 32,834,000    | 39,615,000    |
| 58. <b>Virginia Slims</b> (Philip Morris)    | Cigarettes                      | 41,355,000    | 31,523,000    | 21,078,000    | 19,882,000    |
| 59. <b>More</b> (R.J. Reynolds)              | Cigarettes                      | 40,822,000    | 44,106,000    | 16,449,000    | 12,178,000    |
| 60. <b>GE</b> (General Electric)             | Major appliances                | 40,075,000    | 69,998,000    | 71,896,000    | 62,701,000    |
| 61. <b>TWA</b> (Trans World Corp.)           | Passenger travel                | 39,327,000    | 37,269,000    | 34,492,000    | 25,887,000    |
| 62. <b>Crest</b> (Procter & Gamble)          | Dental supplies                 | 39,270,000    | 45,888,000    | 28,649,000    | 26,682,000    |
| 63. <b>Mercury</b> (Ford Motor Co.)          | Passenger cars                  | 39,115,000    | 45,107,000    | 45,534,000    | 30,870,000    |
| 64. <b>Polaroid</b> (Polaroid Corp.)         | Cameras                         | 37,854,000    | 40,527,000    | 37,334,000    | 38,241,000    |
| 65. <b>Camel</b> (R.J. Reynolds)             | Cigarettes                      | 37,834,000    | 34,269,000    | 31,165,000    | 40,679,000    |
| 66. <b>Cadillac</b> (General Motors)         | Passenger cars                  | 36,091,000    | 36,669,000    | 25,137,000    | 23,650,000    |
| 67. <b>Seagram</b> (Seagrams Distillers Co.) | Liquor                          | 34,279,000    | 39,128,000    | 42,366,000    | 43,151,000    |
| 68. <b>Columbia Pictures</b> (Coca-Cola)     | Motion pictures                 | 34,041,000    | 39,831,000    | 36,317,000    | 24,073,000    |
| 69. <b>Renault</b> (Renault)                 | Passenger cars                  | 34,026,000    | 15,199,000    | 14,173,000    | 5,297,000     |
| 70. <b>20th Century</b> (20th Century-Fox)   | Motion pictures                 | 33,988,000    | 22,727,000    | 19,937,000    | 21,944,000    |



# Top 200 Millionaire Brands 1979-1980-1981-1982

| BRAND NAME (AND PARENT COMPANY)             | CLASSIFICATION                        | 1982          | 1981          | 1980          | 1979          |
|---------------------------------------------|---------------------------------------|---------------|---------------|---------------|---------------|
| 71. CBS (CBS, Inc.)                         | Communications                        | 33,488,000    | 30,635,000    | 30,033,000    | 30,729,000    |
| 72. Wendy's (Wendy's International)         | Restaurants                           | 33,412,000    | 26,375,000    | 20,555,000    | 20,249,000    |
| 73. Nabisco (Nabisco Brands)                | Bakery, prepared foods, confectionery | 33,399,000    | 30,508,000    | 27,317,000    | 24,662,000    |
| 74. Universal City (MCA Inc.)               | Motion pictures                       | 32,894,000    | 27,598,000    | 30,939,000    | 20,753,000    |
| 75. Jell-O (General Foods)                  | Desserts                              | 32,890,000    | 34,009,000    | 28,897,000    | 28,073,000    |
| 76. Du Pont (E. I. du Pont)                 | Paints, fabrics, fibers, pest control | 32,816,000    | 39,985,000    | 40,609,000    | 34,166,000    |
| 77. Campbell's (Campbell's Soup)            | Prepared foods                        | 32,781,000    | 23,644,000    | 18,684,000    | 21,174,000    |
| 78. RCA (RCA Corp.)                         | Communications                        | 32,736,000    | 57,687,000    | 31,695,000    | 30,541,000    |
| 79. Seven-Up (Philip Morris)                | Soft drinks                           | 32,734,000    | 37,923,000    | 31,927,000    | 28,589,000    |
| 80. Colgate (Colgate-Palmolive)             | Dental supplies                       | 32,359,000    | 29,691,000    | 23,387,000    | 26,097,000    |
| 81. Cover Girl (Moxell)                     | Cosmetics                             | 31,760,000    | 24,333,000    | 24,042,000    | 22,632,000    |
| 82. Now (R.J. Reynolds)                     | Cigarettes                            | 31,635,000    | 35,022,000    | 45,578,000    | 10,057,000    |
| 83. Kent (Loews)                            | Cigarettes                            | 31,141,000    | 55,276,000    | 56,063,000    | 55,205,000    |
| 84. Revlon (Revlon)                         | Cosmetics                             | 30,948,000    | 28,871,000    | 28,940,000    | 29,547,000    |
| 85. Lipton (Thomas J. Lipton Inc.)          | Prepared foods, beverages, cooking    | 30,947,000    | 35,111,000    | 30,933,000    | 27,566,000    |
| 86. Johnson's (Johnson & Johnson)           | Baby products, shampoo, lotions       | 30,451,000    | 34,704,000    | 40,298,000    | 35,734,000    |
| 87. National Enquirer (Natl. Enquirer Inc.) | Newspapers                            | 29,755,000    | 1,104,200     | —             | —             |
| 88. Sanka (General Foods)                   | Coffee                                | 29,721,000    | 24,769,000    | 33,428,000    | 21,552,000    |
| 89. Warner (Warner Communications)          | Motion pictures                       | 29,391,000    | 33,481,000    | 32,766,000    | 21,792,000    |
| 90. Clorox (Clorox)                         | Laundry preparations                  | 29,012,000    | 27,578,000    | 18,611,000    | 16,621,000    |
| 91. Nestle (Nestle Enterprises)             | Confectionery, beverages, cooking     | 28,752,000    | 33,278,000    | 34,501,000    | 45,169,000    |
| 92. Goodyear (Goodyear)                     | Tires                                 | 28,030,000    | 27,570,000    | 18,947,000    | 20,458,000    |
| 93. Red Lobster (General Mills)             | Restaurants                           | 28,626,000    | 25,814,000    | 17,882,000    | 13,957,000    |
| 94. True-Value (Cotter & Co.)               | Hardware                              | 28,442,000    | 23,602,000    | 20,676,000    | 19,394,000    |
| 95. Columbia Records (CBS)                  | Records                               | 28,274,000    | 24,665,000    | 29,918,000    | 29,154,000    |
| 96. U.S. Army (U.S. Army Recruit. Cmnd.)    | U.S. Government                       | 28,265,000    | 24,239,000    | 21,134,000    | 16,680,000    |
| 97. Coors (Adolph Coors Co.)                | Beer                                  | 28,179,000    | 29,819,000    | 24,738,000    | 18,017,000    |
| 98. Maybelline (Schering-Plough)            | Cosmetics                             | 28,069,000    | 29,473,000    | 26,245,000    | 25,657,000    |
| 99. Folger's (Procter & Gamble)             | Coffee                                | 27,651,000    | 27,209,000    | 27,676,000    | 34,392,000    |
| 100. Oil of Olay (Richardson-Vicks)         | Cosmetics                             | 27,598,000    | 37,171,000    | 31,738,000    | 15,542,000    |
| 101. Aqua-Fresh (Beecham)                   | Dental supplies                       | \$ 27,263,000 | \$ 21,620,000 | \$ 21,254,000 | \$ 19,305,000 |
| 102. Ivory Soap (Procter & Gamble)          | Soaps, detergents                     | 27,208,000    | 24,563,000    | 26,584,000    | 27,811,000    |
| 103. Plymouth (Chrysler Corp.)              | Cars, trucks                          | 27,164,000    | 30,397,000    | 28,606,000    | 18,265,000    |
| 104. Subaru (Subaru of America)             | Passenger cars                        | 27,158,000    | 21,422,000    | 15,914,000    | 17,271,000    |
| 105. Gillette (Gillette Company)            | Toiletries, shaving products          | 27,139,000    | 31,885,000    | 34,135,000    | 31,160,000    |
| 106. NBC (RCA Corp.)                        | Communications                        | 27,104,000    | 32,515,000    | 33,285,000    | 26,533,000    |
| 107. Lincoln (Ford Motor Co.)               | Passenger cars                        | 26,293,000    | 15,680,000    | 23,440,000    | 13,427,000    |
| 108. Coleco (Coleco Industries)             | Games                                 | 26,697,000    | 7,564,000     | —             | —             |
| 109. Gallo (E&J Gallo)                      | Wine                                  | 26,044,000    | 21,293,000    | 22,163,000    | 16,859,000    |
| 110. Heinz (H.J. Heinz Co.)                 | Prepared foods                        | 25,793,000    | 17,683,000    | —             | —             |
| 111. Nissan (Nissan Motors)                 | Passenger cars                        | 25,718,000    | 4,566,000     | —             | —             |
| 112. Eveready (Union Carbide Corp.)         | Household batteries                   | 25,465,000    | 31,900,000    | 31,860,000    | 31,863,000    |
| 113. Franklin Mint (Warner Comm.)           | Mail order                            | 25,461,000    | 25,258,000    | 23,503,000    | 18,791,000    |
| 114. Exxon (Exxon Corp.)                    | Gas, oil                              | 25,432,000    | 41,512,000    | 19,549,000    | 15,228,000    |
| 115. Carlton (American Brands)              | Cigarettes                            | 25,273,000    | 30,257,000    | 30,433,000    | 33,402,000    |

# Top 200 Millionaire Brands 1979-1980-1981-1982

| BRAND NAME (AND PARENT COMPANY)           | CLASSIFICATION                        | 1982          | 1981          | 1980          | 1979         |
|-------------------------------------------|---------------------------------------|---------------|---------------|---------------|--------------|
| 116. ABC (American Broadcasting Co.)      | Communications                        | 24,989,000    | 32,145,000    | 36,972,000    | 31,572,000   |
| 117. Kal Kan (Mars Inc.)                  | Pet foods                             | 24,912,000    | 15,188,000    | 11,788,000    | 10,990,000   |
| 118. Playtex (Esmark)                     | Underwear, feminine hygiene           | 24,850,000    | 27,469,000    | 19,078,000    | 19,922,000   |
| 119. Dristan (American Home Products)     | Medicines                             | 24,624,000    | 23,796,000    | 21,186,000    | 24,262,000   |
| 120. Ragu (Chesebrough-Pond's)            | Sauces                                | 24,120,000    | 16,289,000    | 18,215,000    | 17,878,000   |
| 121. Lowenbrau (Philip Morris)            | Beer                                  | 24,115,000    | 20,788,000    | 19,522,000    | 17,242,000   |
| 122. Betty Crocker (General Mills)        | Baking mixes, prepared foods, dinners | 24,100,000    | 20,628,000    | 22,470,000    | 34,364,000   |
| 123. Timex (Timex Corp.)                  | Watches, computers, small appliances  | 24,044,000    | 13,885,000    | 14,649,000    | 14,994,000   |
| 124. Mobil (Mobil Oil)                    | Gas, oil                              | 23,940,000    | 25,245,000    | 18,392,000    | 17,948,000   |
| 125. Kenner (General Mills)               | Games                                 | 23,874,000    | 25,522,000    | 18,259,000    | 25,289,000   |
| 126. Hershey (Hershey Foods)              | Candy                                 | 23,831,000    | 20,372,000    | 15,466,000    | 13,940,000   |
| 127. Quaker (Quaker Oats Co.)             | Cereals                               | 23,690,000    | 16,289,000    | 18,215,000    | 17,878,000   |
| 128. Lysol (Sterling Drug)                | Cleaners, disinfectants               | 23,511,000    | 18,584,000    | 19,288,000    | 21,334,000   |
| 129. American Dairy Assn.                 | Dairy products                        | 23,352,000    | 18,324,000    | 16,974,000    | 15,229,000   |
| 130. Midas (IC Industries)                | Automotive supplies                   | 23,339,000    | 18,563,000    | 17,206,000    | 15,205,000   |
| 131. Sony (Sony Corp.)                    | Home electronics                      | 23,319,000    | 29,697,000    | 19,247,000    | 20,610,000   |
| 132. L'eggs (Hanes Co.-Consol. Foods)     | Hosiery                               | 22,876,000    | 16,215,000    | 20,870,000    | 14,077,000   |
| 133. Federal Express (Federal Express)    | Air cargo                             | 22,705,000    | 18,577,000    | 9,001,000     | 7,179,000    |
| 134. Stouffer's (Nestle Enterprises)      | Prepared foods                        | 22,637,000    | 16,741,000    | 16,426,000    | 9,690,000    |
| 135. MCI (MCI Communications Corp.)       | Communications                        | 22,474,000    | 9,973,000     | —             | —            |
| 136. United Artists (MGM/UA Entertain.)   | Motion pictures                       | 22,154,000    | 26,338,000    | 14,168,000    | 20,097,000   |
| 137. Bayer (Sterling Drug)                | Medicine                              | 22,096,000    | 24,650,000    | 23,519,000    | 25,072,000   |
| 138. Safeway (Safeway Food)               | Retail                                | 21,968,000    | 23,419,000    | 18,291,000    | 18,709,000   |
| 139. Vicks (Richardson-Vicks)             | Medicines                             | 21,895,000    | 32,565,000    | 23,509,000    | 26,679,000   |
| 140. Crisco (Procter & Gamble)            | Cooking products                      | 21,850,000    | 20,885,000    | 21,486,000    | 17,175,000   |
| 141. Activision (Activision Inc.)         | Games                                 | 21,671,000    | 1,864,000     | —             | —            |
| 142. Paramount (Gulf & Western)           | Motion pictures                       | 21,558,000    | 19,561,000    | 10,001,000    | 19,676,000   |
| 143. Allstate (Sears, Roebuck and Co.)    | Insurance                             | 21,491,000    | 21,280,000    | 20,990,000    | 18,953,000   |
| 144. Shell (Shell Oil)                    | Gas, oil                              | 21,384,000    | 21,466,000    | 17,743,000    | 23,427,000   |
| 145. Milton Bradley (Milton Bradley Co.)  | Games                                 | 21,321,000    | 22,309,000    | 20,708,000    | 26,664,000   |
| 146. L'Oreal (Cosmair Inc.)               | Cosmetics                             | 21,182,000    | 11,947,000    | —             | —            |
| 147. Kool-Aid (General Foods)             | Soft drinks                           | 20,911,000    | 24,951,000    | 22,254,000    | 23,264,000   |
| 148. TV Guide (Triangle Publications)     | Magazines                             | 20,902,000    | 16,202,000    | 17,110,000    | 18,889,000   |
| 149. BMW (Bavarian Motor Works)           | Cars, cycles                          | 20,776,000    | 11,629,000    | —             | —            |
| 150. Duncan Hines (Procter & Gamble)      | Baking mixes                          | 20,698,000    | 20,648,000    | 17,135,000    | 12,642,000   |
| 151. Duracell (Dart & Kraft)              | Household batteries                   | \$ 20,558,000 | \$ 16,093,000 | \$ 13,991,000 | \$ 9,954,000 |
| 152. Luvs (Procter & Gamble)              | Underwear                             | 20,497,000    | 17,982,000    | 18,262,000    | 8,172,000    |
| 153. Cheerios (General Mills)             | Cereals                               | 20,421,000    | 14,614,000    | 13,016,000    | 17,591,000   |
| 154. Taster's Choice (Nestle Enterprises) | Coffee                                | 20,392,000    | 17,267,000    | 10,162,000    | 13,302,000   |
| 155. Parker Brothers (General Mills)      | Games                                 | 20,383,000    | 13,302,000    | 15,523,000    | 10,130,000   |

# Top 200 Millionaire Brands 1979-1980-1981-1982

| BRAND NAME (AND PARENT COMPANY)          | CLASSIFICATION           | 1982       | 1981       | 1980       | 1979       |
|------------------------------------------|--------------------------|------------|------------|------------|------------|
| 156. Visa (Visa USA Inc.)                | Financial                | 20,318,000 | 13,038,000 | —          | —          |
| 157. Whirlpool (Whirlpool Corp.)         | Major appliances         | 20,286,000 | 15,337,000 | 14,025,000 | 13,717,000 |
| 158. Long John Silver (Jerrico Inc.)     | Restaurant               | 20,189,000 | 20,166,000 | 16,054,000 | 12,391,000 |
| 159. Schlitz (Stroh Brewing Co.)         | Beer                     | 20,087,000 | 29,402,000 | 28,817,000 | 44,292,000 |
| 160. Pampers (Procter & Gamble)          | Underwear                | 20,061,000 | 19,834,000 | 19,087,000 | 21,953,000 |
| 161. Tab (Coca-Cola)                     | Soft drinks              | 19,766,000 | 16,691,000 | 13,856,000 | 13,799,000 |
| 162. Mercedes-Benz (Daimler-Benz)        | Cars, trucks             | 19,718,000 | 13,041,000 | 10,236,000 | —          |
| 163. De Beers (De Beers Con. Mines)      | Jewelry                  | 19,624,000 | 15,236,000 | 10,479,000 | 9,956,000  |
| 164. Aim (Lever Brothers)                | Dental supplies          | 19,246,000 | 19,204,000 | 16,031,000 | 15,596,000 |
| 165. Levi's (Levi Strauss)               | Clothing                 | 19,191,000 | 22,598,000 | 28,736,000 | 29,437,000 |
| 166. American Motors (American Motors)   | Passenger cars           | 19,138,000 | 29,588,000 | 31,148,000 | 48,971,000 |
| 167. Avis (Norton Simon)                 | Car rental               | 19,011,000 | 19,011,000 | —          | —          |
| 168. True (Loews)                        | Cigarettes               | 18,936,000 | 15,782,000 | 18,270,000 | 18,253,000 |
| 169. Texas Instruments (Texas Inst.)     | Office machines          | 18,745,000 | 10,762,000 | —          | —          |
| 170. Brim (General Foods)                | Coffee                   | 18,738,000 | 15,256,000 | 17,445,000 | 13,745,000 |
| 171. Phillips (Phillips Petroleum)       | Gas, oil                 | 18,731,000 | 20,591,000 | 17,040,000 | 15,032,000 |
| 172. Topol (Jeffrey Martin Co.)          | Dental supplies          | 18,539,000 | 14,531,000 | 13,086,000 | 1,492,000  |
| 173. Alka-Selzer (A.G. Bayer/Miles)      | Medicines                | 18,475,000 | 21,180,000 | 19,502,000 | 24,259,000 |
| 174. Florida Citrus (State of Florida)   | Fruits                   | 18,475,000 | 17,356,000 | 16,746,000 | 12,798,000 |
| 175. Glad (Union Carbide Corp.)          | Household accessories    | 18,153,000 | 15,875,000 | —          | —          |
| 176. Birds Eye (General Foods)           | Prepared foods           | 17,845,000 | 28,237,000 | 20,276,000 | 24,855,000 |
| 177. Natural Light (Anheuser-Busch)      | Beer                     | 17,793,000 | 20,018,000 | 20,740,000 | 17,586,000 |
| 178. Holiday Inns (Holiday Inns Inc.)    | Hotels                   | 17,758,000 | 16,703,000 | 14,746,000 | 15,456,000 |
| 179. Hallmark (Hallmark Cards)           | Greeting cards           | 17,520,000 | 14,541,000 | 13,658,000 | 13,287,000 |
| 180. Preparation H (Amer. Home Prods.)   | Medicines                | 17,252,000 | 15,360,000 | 14,941,000 | 14,912,000 |
| 181. Dial (Greyhound Corp.)              | Soaps, deodorants        | 17,219,000 | 22,660,000 | 17,694,000 | 14,124,000 |
| 182. Tide (Procter & Gamble)             | Soaps, detergents        | 17,207,000 | 18,713,000 | 17,312,000 | 17,912,000 |
| 183. Chef Boy-Ar-Dee (Amer. Home Prods.) | Prepared foods           | 17,089,000 | 15,763,000 | 15,721,000 | 13,322,000 |
| 184. Dr Pepper (Dr Pepper Co.)           | Soft drinks              | 17,066,000 | 16,378,000 | 17,010,000 | 14,195,000 |
| 185. Fresh Start (Colgate-Palmolive)     | Soaps, detergents        | 17,057,000 | 14,641,000 | 11,904,000 | 6,970,000  |
| 186. Hanes (Hanes Co.-Consol. Foods)     | Hosiery                  | 17,045,000 | 14,332,000 | 10,558,000 | 10,499,000 |
| 187. Walt Disney (Walt Disney Prods.)    | Motion pictures, resorts | 17,039,000 | 17,168,000 | 14,671,000 | 18,310,000 |
| 188. Bounce (Procter & Gamble)           | Soaps, detergents        | 16,949,000 | 12,868,000 | 14,316,000 | 14,065,000 |
| 189. Zenith (Zenith Radio Corp.)         | Home electronics         | 16,927,000 | 19,785,000 | 17,319,000 | 18,748,000 |
| 190. Downy (Procter & Gamble)            | Soaps, detergents        | 16,722,000 | 14,092,000 | 14,709,000 | 14,685,000 |
| 191. Johnson's products (S.C. Johnson)   | Cleaners, laundry prods. | 16,670,000 | 18,030,000 | 15,986,000 | 14,309,000 |
| 192. Stayfree (Johnson & Johnson)        | Feminine hygiene         | 16,520,000 | 16,250,000 | 14,420,000 | —          |
| 193. Texaco (Texaco Corp.)               | Gas, oil                 | 16,487,000 | 24,095,000 | 21,975,000 | 14,660,000 |
| 194. Silkience (Gillette Co.)            | Cosmetics                | 16,454,000 | 20,912,000 | 12,589,000 | 12,587,000 |
| 195. Cheer (Procter & Gamble)            | Soaps, detergents        | 16,380,000 | 12,944,000 | —          | —          |
| 196. Woolite (American Home Products)    | Soaps, detergents        | 16,073,000 | 12,931,000 | —          | —          |
| 197. Minolta (Minolta Corp.)             | Cameras, office machines | 16,052,000 | 17,193,000 | 19,052,000 | 17,056,000 |
| 198. Mennen (Mennen Co.)                 | Toiletries               | 16,049,000 | 16,557,000 | 14,066,000 | 11,231,000 |
| 199. Newport (Loews)                     | Cigarettes               | 15,228,000 | 20,310,000 | 7,087,000  | 10,354,000 |
| 200. Prudential (Prudential Ins. Co.)    | Insurance                | 15,159,000 | 14,444,000 | 16,614,000 | 672,000    |



# Directory of Top 200 Millionaire Brands

Media expenditures in eight major media (magazines, supps, newspapers, network tv, spot tv, network radio, spot radio, outdoor) in 1981 and 1982 — Key media decision makers in companies and their agencies. These brands spend about 44% of total.

## 1.

### SEARS

Sears, Roebuck and Co.

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 57,599,000        | \$ 48,231,000        |
| Supps         | 421,000              | 505,000              |
| Newspapers    | 343,000,000          | 394,000,000          |
| Network tv    | 73,205,000           | 87,540,000           |
| Spot tv       | 9,304,000            | 12,631,000           |
| Network radio | 9,820,000            | 11,072,000           |
| Spot radio    | 12,000,000           | 2,084,000            |
| Outdoor       | 23,000               | 5,000                |
| <b>Total</b>  | <b>\$505,372,000</b> | <b>\$556,068,000</b> |

**Classification:** all retail

**Marketing/brand management:**

Natl ret adv mgr, David G. Slothower

Media srvs mgrs: Bernie Miller

(magazines, broadcast), Gerry Byrne

(newspapers, supps)

Dir of bdcst, Barbara Drew Grolla

**Agencies:** Ogilvy & Mather, Chicago

(Hardlines: auto, recreation (11/83);

home improvements (1/84); spot

radio & tv buying (1/84)

Sr vp-mgng dir, Bill Whitney

Vp-mgmt supr, Allan Mager

Sr vp-media dir, Bill Behrmann

Vp-assoc media dirs: Stan Latacha,

Steve Lonning

Media supr-Sears Corp., Thos. P. Ball

**NH&S, Chicago**

[Softlines: home fashions (11/83); Tv

sports (9/83); network tv & radio

(1/84)]

Exec vp-mgng dir, Al Wolfe

Vp-mgmt rep, Robert Levin

Sr vp-media dir, David Drake

Vp-assoc media dir, Geoffrey

McClelland

Media suprs: Judith Fisher, Carol

Moberg

Media plnr, Kathleen McKay

Print plnr, Sherill Spolar

**N W Ayer, Chicago**

(Business Systems Stores)

Sr vp-mgmt supr, media dir, Robert

Mickels

Media plng supr, Mary Lynn Dickman

Acct supr, Maggie Arquila

**FCB, Chicago**

(Corporate)

Sr vp-mgmt supr, Paul Vernon

Sr vp-dir of media, Greg Blaine

**JWT, Chicago**

(Hispanic markets — until 1/84)

Sr vp-mgmt dir, Bob Westerfield

Sr vp-media dir, Robert H. Irvine

Vp-grp acct media dir, Mike Lynn

Vp-acct media dir, Honora Dee

Sr vp-dir media resources, Ron Kaatz

**Stern Walters/Earle Ludgin, Chicago**

(Catalog, commercial sales)

Sr vp-mgmt rep, Maryanne Friend

Vp-media dir, Don Kaminky

**Vince Cullers, Chicago**

(Black agency of record)

Pres, Vince Cullers

**Hispania/JWT, N.Y.**

(Spanish markets)

Sr vp-gen mgr, Caroline Demy

Media dir, Shelly Perlman

## 2.

### K MART

K mart Corp.

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 8,251,000         | \$ 8,933,000         |
| Supps         | 28,000               | —                    |
| Newspapers    | 246,000,000          | 270,000,000          |
| Network tv    | 11,800,000           | 32,470,000           |
| Spot tv       | 22,349,000           | 7,447,000            |
| Network radio | 2,636,000            | 761,000              |
| Spot radio    | 10,000,000           | 5,638,000            |
| Outdoor       | 32,000               | 23,000               |
| <b>Total</b>  | <b>\$301,096,000</b> | <b>\$325,302,000</b> |

**Classification:** all retail

**Marketing/brand management:**

Vp-mktg, R. R. Dejaeghere

Dir mktg, Edward J. Kreitz

Dir crtv adv, R. Mazade

**Agency: Ross Roy, Detroit**

Dir crtv adv, Jack Frakes

Sr vp-ret oper, Peter Vetowich

Sr vp-mktg, Hal E. Rumble

Sr vp-grp acct supr, Byron Shaffer

Vp-acct supr, Roger Sherman

Sr vp-mktg srvc, Gerald Moody

Vp-grp media dirs: Alfred A. Duz

Patricia Cuda (bdcst)

## 3.

### PENNEY'S

J. C. Penney

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 8,880,000         | \$ 11,285,000        |
| Supps         | 34,000               | —                    |
| Newspapers    | 214,000,000          | 237,000,000          |
| Network tv    | 25,556,000           | 23,788,000           |
| Spot tv       | 12,954,000           | 13,522,000           |
| Network radio | 86,000               | 2,203,000            |
| Spot radio    | 8,000,000            | 738,000              |
| Outdoor       | 111,000              | 27,000               |
| <b>Total</b>  | <b>\$269,621,000</b> | <b>\$288,563,000</b> |

**Classification:** all retail

**Marketing/brand management:**

Vp-dir of corp mktg, H. Prindiville

Mgr of mktg comm, Lou Bremer

Mgr media srvc, James F. Boynton

Natl media plnr, Dave Wood

Proj mgr, Stephen Brown-Pearn

Adv mgr, John T. Lucas

(financial services)

Dir of insurance oper, Joseph De Melio

Dir of new prods, Gerry Montgomery

Adv/prom mgr, John Cacciola

(Catalog division)

Sr vp-dir, Rod Birkins

Dir cat mdsg, Marshall Beere

The expenditures in the eight major national advertising media of the top 200 advertised brands represents about 44% of all dollars invested in those media. For more detailed information on how each brand spends its ad dollars and for how other brands (those with budgets totalling less than \$15.2 million in the eight major media) split their budgets the sources are Leading National Advertisers, Broadcast Advertiser Reports, Media Records, and Radio Expenditure Reports.

Mgr cat mktg, Demos Zacharia  
 Dir cat adv & publs, William Kelly  
 Adv mgr, John Lucas  
**Agencies: McCaffrey & McCall, N.Y.**  
 (fashions)  
 Sr vp-grp acct mgr, William J. Vieser  
 Acct exec, George Hadley  
 Sr vp-media dir, Harris Lefkon  
 Sr vp-ntwk & prog, Joseph Sutton  
 Vp-ntwk & prog, N. Keflon  
**N W Ayer, N.Y.**  
 (financial services)  
 Vp-mgmt supr, Joseph Dell Aquila  
 Vp-acct supr, John Nichols  
 Acct supr, Jack Raymen  
 Vp-grp media dir, Diane Bell  
**D'Arcy-MacManus & Masius, N.Y.**  
 (catalog division)  
 Sr vp-mgmt supr, Stephen R. Seiter  
 Vp-acct supr, Dan Cole  
 Sr vp-exec dir media, George S.  
 Karalekas  
 Sr vp-media dir, Raymond A. McArdle  
 Vp-assoc media dir, Douglas T.  
 MacMullan  
 Media supr, William Greer

#### 4.

### FORD cars & trucks

Ford Motor

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 38,692,000        | \$47,444,000         |
| Supps         | 137,000              | 34,000               |
| Newspapers    | 28,820,000           | 31,593,000           |
| Network tv    | 83,019,000           | 98,437,000           |
| Spot tv       | 35,629,000           | 34,208,000           |
| Network radio | 4,016,000            | 3,907,000            |
| Spot radio    | 30,197,000           | 35,572,000           |
| Outdoor       | 2,995,000            | 2,538,000            |
| <b>Total</b>  | <b>\$223,505,000</b> | <b>\$253,733,000</b> |

**Classifications:** passenger cars (LNA T-110); trucks (LNA T-120)

**Marketing/brand management:**  
 (Ford Division)

Gen mktg mgr, T. J. Wagner  
 Adv mgr, D. T. McClure  
 Natl adv mgr, R. J. Gillooly  
 Dealer adv mgr, R. C. Olsen  
 (Ford Tractor Operations)  
 Mktg mgr, John Chuchman  
 Adv/sales prom, A. Pridgeon

**Agencies: JWT, Dearborn, MI**  
 (Ford Division)

Exec vp-gen mgr, Joe Schulte  
 Sr vp-media, Robert Gamble  
 Vp dirs: Howard P. Spokes (cars),  
 Robert Mancini (trucks)  
 Vp-bdcast supr, Daniel Riordan

**Meldrum & Fewsmith, Southfield, MI**  
 (Tractors)

Vp-acct grp supr, Owen R. Leffler  
 Acct supr, J. C. Bryan  
 Media dir, George Hay

**Wells, Rich, Greene, N.Y. & Detroit**  
 (Corporate, aerospace, glass,  
 electrical, land, credit)  
 Sr vp-gen mgr, Jim Lawrence (Detroit)  
 Sr vp, Gary Kullberg (N.Y.)  
 Sr vp-corp media dir., Bob Geis (N.Y.)  
 Vp-media dir, Shel Jones (Detroit)  
**Hispania/JWT, N.Y.**  
 (Spanish markets)  
 Sr vp-gen mgr, Caroline Demy  
 Media dir, Shelly Perlman

#### 5.

### CHEVROLET cars & trucks

General Motors

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 20,268,000        | \$ 26,636,000        |
| Supps         | 1,358,000            | —                    |
| Newspapers    | 27,515,000           | 30,022,000           |
| Network tv    | 59,239,000           | 76,035,000           |
| Spot tv       | 28,399,000           | 33,268,000           |
| Network radio | 117,000              | 327,000              |
| Spot radio    | 16,209,000           | 13,958,000           |
| Outdoor       | 3,369,000            | 4,924,000            |
| <b>Total</b>  | <b>\$156,465,000</b> | <b>\$185,170,000</b> |

## E PLURIBUS UNUM

### ONE FROM MANY!

When you place your ad in the **SEM Newspapers** network you are putting **DETROIT'S LARGEST SUBURBAN CIRCULATION** to work for you.

**SEM Newspapers**, with over 370,000 copies, reach 76 % of the households in the massive coverage area shown in the map. Your ad in the **SEM Newspapers** will reach:

**482,406 adults**  
**382,865 or 59 % of adults with a household income of \$25,000 or more**  
**245,916 or 68 % of adults with a household income of \$35,000 or more**

Take advantage of a network of well-written newspapers dedicated to serving the local community . . . Newspapers that are read by the people who can buy your products.

SOURCE: ABC & CAC, 1982 Reports  
 1982 Hakes Market Study

Dearborn Heights Leader  
 Associated Newspapers



**SEM NEWSPAPERS, INC.**

**Regional Sales Office:**  
 P.O. Box 40, 2271 Eureka Avenue, Wyandotte, Michigan 48192  
 (313) 941-5450 Gil Paczewitz or Debra Latin  
 Represented nationally by USSPI

**DETROIT'S LARGEST SUBURBAN CIRCULATION**

**BEST AVAILABLE COPY**

**Classifications:** passenger cars (LNA T-110; trucks (LNA T-120)

**Marketing/brand management:**

Gen dir mktg, Thomas Staudt  
Dir natl adv, T. R. Chick  
Adv mgr (cars), S. D. McAvoy  
Adv mgr (trucks & wagons), H. J. Cordes

Dir mktg, E. P. Feely, Jr.

**Agency:** Campbell-Ewald, Detroit

Exec vp-acct dir., William J. Tausch

Exec vp-media dir, Thomas J. Glynn

Sr vp-assoc media dir, Ronald D. Geskey

Vp-mgr ntwk buying, Judy Sawyer

Mgr spot buying, Bob Mitchell

(Cars)

Sr vp-mgmt supr (small cars), Don Williams

Sr vp-mgmt supr (big cars), Bud Allen

Vp-media grp supr, Paul Hunt

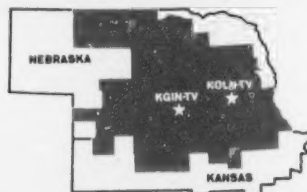
(Trucks)

Sr vp-mgmt supr, Tony Hopp

Vp-media grp supr, Jack Martin

**If you could buy  
only one TV station  
in Nebraska,  
which would you choose?**

**How about the one that  
leads the nation  
in ADI Household Share:  
KOLN-TV/KGIN-TV.**



**FIRST IN THE NATION**

Early Fringe ..... 43%

**SECOND IN THE NATION**

Total Day ..... 38%

Late News ..... 52%

KOLN-TV/KGIN-TV dominates the \$3.1 billion Lincoln-Hastings-Kearney market you've got to cover if you want to cover Nebraska. Get all the facts and figures from your Avery-Knodel representative.

Television/Radio Age and Arbitron, November 1982.



*Avery-Knodel  
Station*

**KOLN-TV/KGIN-TV**

Channel 10 A CBS Affiliate Channel 11  
LINCOLN, NEBRASKA / GRAND ISLAND, NEBRASKA  
1500 FT. TOWER / 1069 FT. TOWER  
Avery-Knodel Television National Representatives

**6.  
WARDS  
Mobil Corp.**

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 23,000            | \$ 105,000           |
| Supps         | \$139,000            | —                    |
| Newspapers    | 141,000,000          | 157,000,000          |
| Network tv    | 122,000              | —                    |
| Spot tv       | 20,613,000           | 9,310,000            |
| Network radio | —                    | —                    |
| Spot radio    | 9,000,000            | 1,345,000            |
| Outdoor       | 43,000               | 18,000               |
| <b>Total</b>  | <b>\$170,940,000</b> | <b>\$167,878,000</b> |

**Classification:** all retail

**Marketing/brand management:**

Exec vp-mktg, Charles J. Miller

Vp-adv/sales prom, David Snell

Media dir., Carol Brewster

Admin adv mgr, E. A. Hawley

**Agency:** Media Bureau, Intl., Chicago

Pres, Richard Pickett

Vp, Norma Wren

Sr media buyer, Ingrid Acott, Peg Coty

Sr print buyer, J. Snyder

**7.  
McDONALD's  
McDonald's Corp.**

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 178,000           | \$ 878,000           |
| Supps         | —                    | 297,000              |
| Newspapers    | (no data)            | (no data)            |
| Network tv    | 54,130,000           | 59,876,000           |
| Spot tv       | 75,222,000           | 94,156,000           |
| Network radio | 3,255,000            | 1,718,000            |
| Spot radio    | 1,632,000            | 2,138,000            |
| Outdoor       | 3,629,000            | 4,143,000            |
| <b>Total</b>  | <b>\$138,046,000</b> | <b>\$163,206,000</b> |

**Classification:** restaurants (LNA G-330)

**Marketing/brand management:**

Exec vp-mktg, Paul F. Schrage

Asst vp-mktg, Stanley Nicpon

Dir of media, Laurie A. Grace

Vp-dir mktg, Bill Youngclaus

**Agency:** Leo Burnett, Chicago

Sr vp-media srvc's dir, Kenneth Lane

Vp-media, Willard Hadlock

Acct dir, John Maruskin

Media dir, Sally Hunter

**Four-year trend  
totals start on  
page 56.**



## 8.

## AT&amp;T/BELL

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | \$ 33,162,000        | \$39,369,000         |
| Supps         | 366,000              | 818,000              |
| Newspapers    | 1,280,000            | 6,248,000            |
| Network tv    | 68,327,000           | 94,971,000           |
| Spot tv       | 59,725,000           | 11,668,000           |
| Network radio | 7,300,000            | 7,319,000            |
| Spot radio    | 428,000              | 1,076,000            |
| Outdoor       | 595,000              | 287,000              |
| <b>Total</b>  | <b>\$171,783,000</b> | <b>\$161,756,000</b> |

**Classification:** communications (LNA B-140)

**Marketing/brand management:**

(AT&T-Corporate)

Natl adv dir, R. J. Martin

Vp-pub rel, Edward M. Block

Assoc vp, James L. Brunson

Dir, David Shaver

(American Bell — Consumer Products Div)

Assoc vp, James Adams

Dir of adv, Andrew Morrison

(Advanced Information Systems)

Assoc vp, William Buehler

Dir of adv, Robert Warstler

(ATTIX: Long Distance)

Vp, Samuel Wilcoxson

Dir of adv, Kim Armstrong

**Agencies: N W Ayer, N.Y.**

(corporate/inform)

Exec vp-exec acct dir, Thomas F. Maxey

Sr vp-mgmt supr, Howard Stoner

Vp-grp media dir, Dianne Bell

(consumer products div.)

Sr vp-exec acct dir, Clark Hines

Sr vp-mgmt supr, Roy Robinson

Vp-grp media dir, Dianne Bell

(ATTIX: Long Distance)

Sr vp-exec acct dir, Stan Mattison

Sr vp-mgmt supr, Fred McClafferty

Vp-grp media dir, Jane Twyon

**Cunningham & Walsh, N.Y.**

(Yellow Pages)

Exec vp-dir media & mktg srvc, Frank McDonald

Vp-media supr, Stuart Brown

Sr vp-grp acct dir, Nathaniel Allan

Vp-acct supr, Tom Kirmayer

Acct exec, Helen Murphy

**For alphabetical  
index turn to  
page 50.**

**McCann-Erickson, N.Y.**

(Long Lines)

Sr vp-mgmt rep, Hank O'Brien

Sr vp-acct dir, Tom Driscoll

Acct supr, Gina Gordon

Exec vp-dir media srvc, Gene DeWitt

Sr vp-media plng dir, Vince Rafti

Vp-assoc plng dir, Vince Tortorelli

Media grp head, Lee Oakes

**Ogilvy & Mather, N.Y.**

(American Bell Advanced Information Systems)

Sr vp-assoc media dir, Wilma Epstein

Vp-asst media dir, Ron Harrison

Vp-mgmt supr, Kelly O'Dea

Vp-acct supr, Irene Frary

Acct supr, Bruce Nathanson

**UniWorld Group, N.Y.**

(Minority markets)

Acct supr, Linda Dukette

Media dir, Glenn Miller

# We just made Detroit's number 2 newspaper more number 2.

ABC confirms it. The latest circulation figures\* show that once again The Detroit News has increased its lead over the number 2 paper.

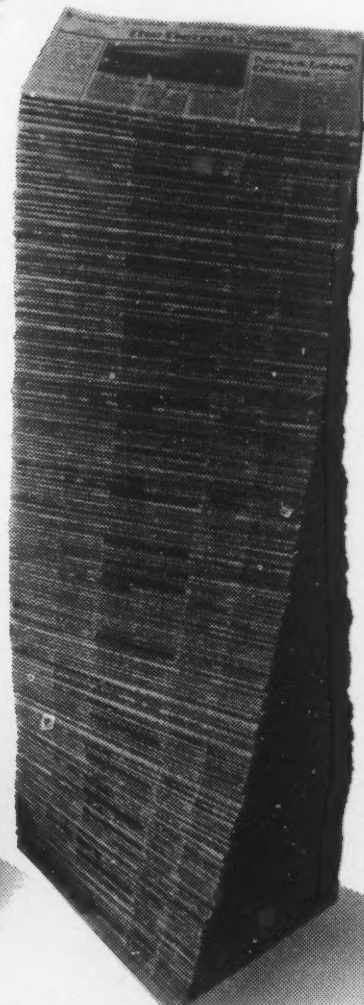
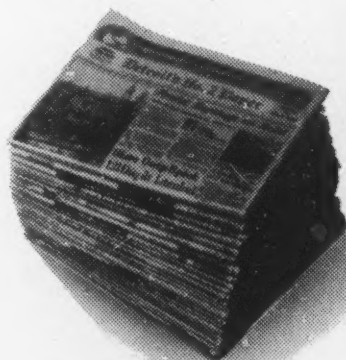
What's more, in the big 46-billion-dollar metro Detroit market, The News has jumped ahead by over 100,000 papers daily and almost a quarter of a million on Sunday. And 3 out of 4 are home delivered. No amount of newsstand nose-counting can change that fact.

What makes Michigan's largest newspaper Michigan's fastest growing newspaper? Advertisers know. So do more and more readers. It's a better paper.

\*ABC FAS-FAX March 31, 1983.

**The Detroit News**

MICHIGAN'S LARGEST NEWSPAPER



A MEMBER OF  THE EVENING NEWS ASSOCIATION

## 9. TOYOTA cars and trucks Toyota Motors

|               | media dollars        |                      |
|---------------|----------------------|----------------------|
|               | 1981                 | 1982                 |
| Magazines     | 10,113,000           | \$ 10,895,000        |
| Supps         | 49,000               | —                    |
| Newspapers    | 11,227,000           | 15,610,000           |
| Network tv    | 25,550,000           | 21,244,000           |
| Spot tv       | 67,979,000           | 63,890,000           |
| Network radio | 150,000              | 250,000              |
| Spot radio    | 3,765,000            | 3,623,000            |
| Outdoor       | 2,399,000            | 2,524,000            |
| <b>Total</b>  | <b>\$121,232,000</b> | <b>\$118,036,000</b> |

**Classifications:** passenger cars (LNA T-110); trucks (LNA T-120)

### Marketing/brand management:

Vp mktg, Warren E. Christell

Adv projects mgrs: Jack Collins, James E. Press

Adv prgms mgr, E. P. Broussard

**Agency: DFS, New York**

Mgmt reps: Stuart Upson, Jim Lindsey (N.Y.); Norman Lauchner (L.A.)

Exec vp-media dir, Allen Banks

Sr vp-sr assoc media dir, Louis

Capozzoli

Vp-assoc media dirs: John Adams, Peter Regan

## 10. MILLER beer Philip Morris

|               | media dollars       |                      |
|---------------|---------------------|----------------------|
|               | 1981                | 1982                 |
| Magazines     | \$ 721,000          | \$ 1,555,000         |
| Supps         | —                   | —                    |
| Newspapers    | 218,000             | 490,000              |
| Network tv    | 60,839,000          | 74,651,000           |
| Spot tv       | 11,451,000          | 19,868,000           |
| Network radio | —                   | —                    |
| Spot radio    | 12,698,000          | 16,051,000           |
| Outdoor       | 181,000             | 661,000              |
| <b>Total</b>  | <b>\$86,108,000</b> | <b>\$113,276,000</b> |

**Classification:** beer (LNA F-310)

### Marketing/brand management:

Exec vp, Lauren S. Williams

Vp-brand mgmt, William W. Catlin

Grp prod dir Robert Toledo (Lite),

Brand mgrs: Douglas E. Rogers (High Life), William H. Barrett (Lite)

Victor Imbimbo, Jr. (new products)

**Agencies: Backer & Spielvogel, N.Y.**

Sr vp-mgmt, Jeffrey Palmer

Vp-mgmt supr, Dean Scaros

Exec vp-acct srvc, Bob Holmen

Exec vp-dir media srvc, Stephen Leff

Sr vp-media dir, Jay Schoenfeld

Vp-assoc media dir, Scot Butler  
**Mingo-Jones, New York**  
(ethnic markets)  
Vp-mgmt supr, Samuel Chisholm  
Media mgr, Betty Robinson

## 11. KRAFT Dart & Kraft Inc.

|               | media dollars       |                      |
|---------------|---------------------|----------------------|
|               | 1981                | 1982                 |
| Magazines     | \$23,450,000        | \$ 17,711,000        |
| Supps         | 1,202,000           | 379,000              |
| Newspapers    | 4,783,000           | 3,955,000            |
| Network tv    | 36,550,000          | 37,074,000           |
| Spot tv       | 25,853,000          | 46,020,000           |
| Network radio | 427,000             | 476,000              |
| Spot radio    | 4,577,000           | 1,395,000            |
| Outdoor       | 60,000              | 47,000               |
| <b>Total</b>  | <b>\$96,902,000</b> | <b>\$107,051,000</b> |

**Classifications:** cooking products (LNA F-110); dairy products (LNA F-130); prepared foods (LNA F-120); confectionery (LNA F-210); bakery goods (LNA F-160); beverages (LNA F-170)

### Marketing/brand management:

Exec vp mktg, J. Durrett

Vp-dirs: S. Gardner (refrig prod), J.

Wilson (grocery prod)

Vps-mktg: D. Blue, N. Ross, R. Miller, J. Craig

Vp-dir adv & mktg srvc, Retail Food

Group, James R. Blocki

Mgr adv srvc, W. Landgraf;

Gen adv mgr, R. K. Powell

Grp brand mgrs: E. H. Hale (jellies,

confections); J. L. MacDonald

(pourables); P. Buranich, C. F.

Martin, R. Verner, H. E. Jolly, R.

Eckert (cheese); J. G. Powell

(dinners BBQ); H. Roberts (viscous

dressings); R. Lenny (margarine,

citrus); D. Andler (frozen); L. A. Clark,

K. Males (new products)

### Agencies: FC&B, Chicago

(Retail Food Group)

Grp mgmt supr, J. J. Cerasani

Vp-mgmt supr, M. Aarons

Acct srvc: T. Shapiro

(dinners/confections), J. Pearl (BBQ)

Acct execs: Y. Posa (teen, home econ,

BBQ), D. Balabanos (dinners,

confections)

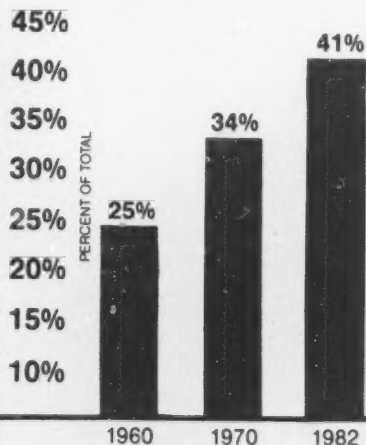
Sr vp-media dir, Greg Blaine

Grp media dir, Ralph Katz

Media supr, Katie Donovan

## Now, More Than Ever You Need The FORT LAUDERDALE NEWS/SUN-SENTINEL To Cover The Fort Lauderdale-Miami DMA

**Metro Fort Lauderdale Share of  
Total Retail Sales in The Fort  
Lauderdale-Miami DMA**



Source: Sales Management  
Survey of Buying Power

In 1982 Metro Fort Lauderdale accounted for 41% or \$6.8 billion of the \$16.6 billion total retail sales in the Ft. Lauderdale-Miami DMA...the largest market in the Southeast.

In The Fort Lauderdale ABC Primary Market Area The Fort Lauderdale News/Sun-Sentinel, daily, reach 57% of all market adults, 63% on Sunday...that's 82% of the Fort Lauderdale News/Sun-Sentinel-Miami Herald daily and Sunday audience total.

You can't reach this quality market without the Fort Lauderdale News/Sun-Sentinel, South Florida's fastest growing newspapers.

\*March, 1983 ABC Publishers Statement



**Fort Lauderdale  
News/Sun-Sentinel**

Represented nationally by C.W.O. & O.  
In Florida, Publishers Representatives

**NH&S, Chicago**

(Parkay, fruit spreads, mustard, Philadelphia Brand dressing, Cheez'n Crackers, new products)  
 Sr vp-mgmt rep, Jack W. Copher  
 Vp-acct dir, Kathie McKirdy  
 Vp-acct supr, Brian Goodall  
 Vp-acct supr, V. K. Nelson  
 Acct coor, Joanne Grabo  
 Sr vp-media dir, David Drake  
 Vp-dir media oper, W. F. Heimann, Jr.  
 Assoc media dir, Diane Niederman  
 Media plnr, Cathryn Sweeney  
 Print plnr, Marie Lehan  
 Local bdcst buyer, Susan Ensminger  
 Vp-ntwk dir, Howard M. Sirinsky  
 Ntwk supr, Joan Murphy  
 Ntwk plnr, Jan Roberts

**JWT, Chicago**

(Food service, industrial, cheese, salad products)  
 Sr vp-grp acct dir, R. L. McCullough  
 Vp-mgmt suprs: R. Lansdowne (viscous dressings), J. Anastos (food service/military), B. Gilmore (cheese)  
 Sr acct suprs: J. White, M. Keenan, K. Prior  
 Acct suprs: D. Cosyns, K. McCormick, D. Blanton, G. Schott, T. Denison  
 Sr vp-media dir, Robert H. Irvine  
 Vp-grp acct media dir, Nadine Martens  
 Vp-acct media dir, Robin Lampert  
 Acct media dir, John Bredemann

**N W Ayer, Chicago**

(Frozen foods)  
 Sr vp-mgmt supr, J. Titus  
 Vp-acct supr, Leslie Carothers  
 Acct supr, Jill Beach  
 Vp-media srvc dir, Tom Sparrari

**N W Ayer, N.Y.**

(Dairy products group)  
 Sr vp-exec acct dir, Ruth A. Salevouris  
 Sr vp-mgmt supr, William J. Marx  
 Vp-acct suprs: Bill Stabile, Lee Rubin  
 Assoc media dir, Jim Mitchell

**Greers Gross, N.Y.**

(Dairy products group)  
 Vp-mgmt supr, Dennis Fogarty  
 Acct supr, Stephen Lloyd  
 Acct execs: Tricia Benz, Liz Ryba  
 Sr vp-media dir, Edward Weiner  
 Vp-assoc media dir, Joy Gaffigan  
 Plng supr, Reatha Slaven  
 Sr plnr, Sherry Pinkof

**Hispania/JWT, N.Y.**

(Spanish markets)  
 Sr vp-gen mgr, Caroline Demy  
 Media dir, Shelly Perlman

**Proctor & Gardner, Chicago**

(Black markets)  
 Sr vp-acct supr, Rolfe Kolconay  
 Vp-media dir, Anthony Moore

**12.****BUDWEISER beer****Anheuser-Busch**

|               | media dollars       |                      |
|---------------|---------------------|----------------------|
|               | 1981                | 1982                 |
| Magazines     | \$ 1,270,000        | \$ 2,560,000         |
| Supps         | —                   | —                    |
| Newspapers    | 939,000             | 1,929,000            |
| Network tv    | 27,406,000          | 50,479,000           |
| Spot tv       | 11,390,000          | 21,905,000           |
| Network radio | 2,927,000           | 4,572,000            |
| Spot radio    | 21,640,000          | 20,261,000           |
| Outdoor       | 1,465,000           | 3,191,000            |
| <b>Total</b>  | <b>\$67,037,000</b> | <b>\$104,897,000</b> |

**Classification:** beer (LNA-F-310)**Marketing/brand management:**

Vp-mktg, Michael J. Roarty  
 Vp-brand mgmt, Jack MacDonough  
 Vp-corp media, Charles B. Fruit  
 Dir media srvc, Tony Ponturo  
 Grp mktg mgr, Thomas Sharbaugh  
 Sr prod mgrs: Bob Merz, Bob Goughenour (Bud Light)

**Agencies: D'Arcy-MacManus & Masius, St. Louis**

Sr vp-mgmt supr/A-B Worldwide, Percy Orthwein  
 Sr vp-mgmt supr/A-B Beer Brands, Tim Arnold  
 Vp-acct supr, Todd Abrams  
 Acct exec, Rich Lalley  
 Asst acct exec, Fred Wolter  
 Sr vp-dir media srvc, Frank Kopeck  
 Vp-grp media dir, Steve Phelps  
 Vp-assoc media dir, Beth Seib  
 Sr media supr, Kitty Clark

**NH&S, Chicago**

(Bud Light)

Sr vp-dir media resources, David Drake  
 Vp-dir media oper, William Heimann, Jr.  
 Vp-grp media dir, Phillip Morrow  
 Vp-assoc media dir, Tom McAlevey  
 Media suprs: Julie Guerrero, Gary Mueller  
 Media plnrs: Ellen Robinson, Edward Bayer, Todd Brewster  
 Print plnr, Marie Lehan  
 Local bdcst buyers: Marianne Monahan, Nancy McGroarty, Lenore Murphy, Dale Ruthenberg, Susan Ensminger  
 Sr vp-mgmt rep, Ron Bess  
 Vp-acct supr, John Greening  
 Vp-acct exec, Bob Klein

**13.****CHRYSLER cars****Chrysler**

|               | media dollars       |                      |
|---------------|---------------------|----------------------|
|               | 1981                | 1982                 |
| Magazines     | \$10,231,000        | \$ 8,849,000         |
| Supps         | —                   | —                    |
| Newspapers    | 16,235,000          | 16,789,000           |
| Network tv    | 20,660,000          | 34,471,000           |
| Spot tv       | 8,170,000           | 12,185,000           |
| Network radio | 1,615,000           | 813,000              |
| Spot radio    | 24,259,000          | 28,293,000           |
| Outdoor       | 255,000             | 583,000              |
| <b>Total</b>  | <b>\$81,515,000</b> | <b>\$101,983,000</b> |

**Classification:** cars (LNA T-110)**Marketing/brand management:** (corporate)

Vp-mktg, J. A. Campana  
 Adv mgr, J. L. Hickey (cars)  
 Vp-mktg, J. A. Campana  
 Gen mktg mgr, A. C. Liebler  
 Natl adv mgr, A. C. Kesteloot  
 Adv mgrs: G. A. Northrop, A. D. Imber (retail)

**Agencies: Kenyon & Eckhardt, Detroit**

Chmn, John J. Morrissey  
 Exec vp, Peter S. Dimsey  
 Sr vp-mgmt suprs: D. L. Kerr (corp.), L. H. Vernon (cars)  
 Acct suprs: W. J. Shea (corp.), J. J. Jacobs, (cars)  
 Sr vp-media dir, P. D. Matz  
 Sr vp-dir media plng, E. E. Kruger  
 Vp-media grp head, M. J. Vogel (cars)  
 Media suprs/plnrs, J. A. Vaglia (corp.), Craig J. Yateman (cars), Pam Iverson (dealer assn.)

**Ross Roy, Detroit**

(corporate-creative)

Vp-grp acct suprs: Don Baldwin, John A. Hendrie

**14.****KELLOGG'S products****Kellogg Co.**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,740,000        | \$ 8,437,000        |
| Supps         | —                   | 296,000             |
| Newspapers    | 2,764,000           | 2,044,000           |
| Network tv    | 66,793,000          | 57,413,000          |
| Spot tv       | 13,079,000          | 27,292,000          |
| Network radio | 1,455,000           | —                   |
| Spot radio    | 1,744,000           | 794,000             |
| Outdoor       | 121,000             | 254,000             |
| <b>Total</b>  | <b>\$90,696,000</b> | <b>\$96,530,000</b> |



# band dominates the Boston ADI.



BAND penetrates the Boston ADI with 30% coverage. 23 ABC newspapers deliver a total of 604,782\* households daily... 96% within the ADI; total adult readership averages 1,330,520.

It's the #1 single buy (and it's at a discount).

\* March '88 RBC Fos Fox



BAND: Boston Area Newspaper Dailies  
Nationally marketed by

## LANDON

23 offices coast-to-coast: call New York: 212-867-1112/  
Boston: 617-266-2141/Chicago: 312-644-8270.

**Classifications:** cereals (LNA F-122),  
bakery goods (LNA F-160)

**Marketing/brand management:**

Sr v-mktg, J. R. Aubuchon

Dirs-grp prod mgmt: R. L. Pollard, W. H. Weintraub

Mgr print srvc, S. D. Sonabend

**Agency: Leo Burnett, Chicago**

Exec vp-client srvc, Bill Lynch

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Dick Coons

15.

**PURINA pet food**

Ralston Purina

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,782,000        | \$ 7,855,000        |
| Supps         | 193,000             | 1,246,000           |
| Newspapers    | 974,000             | 2,163,000           |
| Network tv    | 50,803,000          | 71,570,000          |
| Spot tv       | 4,135,000           | 11,440,000          |
| Network radio | —                   | —                   |
| Spot radio    | 18,000              | 221,000             |
| Outdoor       | —                   | 110,000             |
| <b>Total</b>  | <b>\$63,905,000</b> | <b>\$94,605,000</b> |

**Classification:** pet food/supplies (LNA G-530)

**Marketing/brand management:**

Vp-dir of adv & mktg srvc, William M. Claggett

Div vp-pet foods mktg, Blair Gensamer

Media comm dir, F. Lee Zingale

Media dirs: Mary Howard, Don Martin

**Agencies: Wells, Rich, Greene, N.Y.**

Sr vp-acct grp head, Pete Petray

Sr vp-corp media dir, Robert Geis

Vp-plng srvc dir, Steve Ziglar

Vp-plng grp head, Pat Casa

**Della Femina, Travisano & Partners**  
(New products)

Mgmt rep, Jerry Della Femina

Sr vp-media dir, Ned Gelband

**Drossman Yustein Clowes, N.Y.**

(creative-Meow Mix)

Mgmt supr, Matthew Mansfield

**Gardner, St. Louis**

Pres, C. Kelly O'Neill

Sr vp-acct mgmt, Larry Noedel

Sr vp-mgmt supr, Thomas Hizar

**Advanswers Media/Programing,**  
**St. Louis, New York, Los Angeles**

(Sub. Gardner Advertising)

Pres., Donald Stork

Exec vp, Jack Shubert

Pres ntwk subsidiary, Paul Schulman  
(N.Y.)

**Averett, Free & Ginsburg, N.Y.**

Sr vp-mgmt supr, Ron Thomas

Sr vp-media dir, Abe Mendel

**Tatham Laird & Kudner, Chicago**

Mgmt supr, Kirk Borland

Acct supr, Roberta Borst  
 Acct execs: Alicia Howington, Gavan Goodrich  
 Sr prtnr-media oper, Phil Gerber  
 Media dir, Leonard Materna  
 Assoc media dir, Joanne Franck  
 Media plnr, Sue Ellen Miller

#### Don Tennant, Chicago

(Thrive, new products)  
 Pres-cec, Thomas J. Prchal  
 Vp-mgmt dir, Alan L. Moser  
 Acct suprs: Robert Meuser, Uwe Wende  
 Acct exec, Bill Freeman  
 Vp-dir media srvc, James W. Gustafson

#### MCA Advertising, N.Y.

Pres, Morgan Hunter  
 Exec vp-acct mgmt, Warren Doechter  
 Sr vp-media dir, Dawn Sibley  
 Vp-assoc media dir, Laura Hartenbaum  
 Asst media dir, Janet Shechter  
 Media plnr, Molly Hood

#### TBWA, New York

Mgmt supr, William Tragos  
 Media dir, Claude Fromm

## 16. WOOLWORTH

F. W. Woolworth

|               | media dollars        |                     |
|---------------|----------------------|---------------------|
|               | 1981                 | 1982                |
| Magazines     | —                    | \$ 11,000           |
| Supps         | —                    | —                   |
| Newspapers    | 133,000,000          | 87,720,000          |
| Network tv    | —                    | —                   |
| Spot tv       | 1,796,000            | 3,564,000           |
| Network radio | —                    | —                   |
| Spot radio    | 7,000,000            | 2,222,000           |
| Outdoor       | —                    | —                   |
| <b>Total</b>  | <b>\$141,796,000</b> | <b>\$93,517,000</b> |

**Classification:** all retail

**Marketing/brand management:**

Vps-merchandise: Frank Neuman,  
 Herbert Kaltbaum  
 Vp-sales & adv, Gary Fuller  
 Dir adv, Charles Worley

**Agency:** Sawdon & Bess, N.Y.

Pres, Jerome Bess  
 Grp sr vp-mgmt supr, William J. Lane  
 Media dir, John Prendergast  
 Bdcst supr, Dorothy Smith

## 17. ATARI

Warner Communications

|               | media dollars     |                     |
|---------------|-------------------|---------------------|
|               | 1981              | 1982                |
| Magazines     | \$ 3,673,000      | \$ 8,559,000        |
| Supps         | —                 | 21,000              |
| Newspapers    | 2,315,000         | 8,520,000           |
| Network tv    | 20,287,000        | 50,838,000          |
| Spot tv       | 3,935,000         | 13,415,000          |
| Network radio | —                 | 1,178,000           |
| Spot radio    | 442,000           | 1,894,000           |
| Outdoor       | 8,000             | 19,000              |
| <b>Total</b>  | <b>30,660,000</b> | <b>\$86,338,000</b> |

**Classifications:** games (LNA G-450);

home electronics (LNA H-320)

**Marketing/brand management:**

Chmn, ceo, Raymond F. Kassar  
 (corporate division)  
 Sr vp-adv/mktg, Theodore N. Voss  
 Vp-adv/mktg, Jan Soderstrom  
 Dir of adv, Barry Ofstedal  
 Dir of media, Rick Glosman  
 Dir of intl adv, Dick Arroyo  
 (consumer electronics)  
 Exec vp-mktg, Donald J. Kingsboro  
 Sr vp-mktg, David N. Ruckert

**Agencies:** DDB, New York

(Home video games:  
 software/hardware-and co-op)  
 Exec vp-Peter Falcone  
 Sr vp-mgmt suprs: David R. Sklauer,  
 Charles Lehmann  
 Vp-acct supr, Martin Hummel  
 Acct suprs: Jeffrey T. Andrews, Brian C.  
 Craig  
 Exec vp-media/prog, Michael D.  
 Drexler  
 Vp-media plng dir, Conant Sawyer  
 Assoc media plng dir, Shirllyn Mandel

**Young & Rubicam, N.Y.**

(Service centers, coin-operated games)  
 Exec vp-grp dir, Roby Harrington  
 Vp-grp supr, David Fulton  
 Supr-William Colihan  
 Vp-mgmt supr, Jerry Shershewsky  
 Vp-acct supr, Jordan Stanley

**Wells, Rich, Greene, N.Y.**

(Pre-school/home computer div.)  
 Sr vp-acct grp head, Frank Schwartz  
 Vp-mgmt suprs: Janet Stanton (Pre-  
 school), Richard Khaleel  
 Sr vp-corp media dir, Robert Geis  
 Vp-media grp head, Patricia Casa

**Backer & Spielvogel, N.Y.**

(AtariTel)  
 Sr vp-grp mgmt rep, Randolph Lindel  
 Exec vp-dir media srvc, Stephen Leff  
 Sr vp-media dir, Jay Schoenfeld  
 Vp-assoc media dir, Alain Zutter



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**NH&S, New York**

(Special projects)

Sr vp-mgmt rep, John Gellatly

Acct supr, Kristi Anderson

Sr vp-media dir, Page Thompson

Assoc media dir, Bob Huft

**Atari Advertising, Sunnyvale, CA**

(House agency)

Acct exec George Opperman

**18.****DATSUN cars and trucks**

Nissan Motor

(See also: 111. Nissan)

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,953,000        | \$ 6,656,000        |
| Supps         | 151,000             | 99,000              |
| Newspapers    | 8,822,000           | 9,711,000           |
| Network tv    | 19,951,000          | 14,458,000          |
| Spot tv       | 36,649,000          | 42,313,000          |
| Network radio | —                   | —                   |
| Spot radio    | 7,667,000           | 11,383,000          |
| Outdoor       | 1,336,000           | 920,000             |
| <b>Total</b>  | <b>\$82,529,000</b> | <b>\$85,540,000</b> |

**Classifications:** passenger cars (LNA H-110); trucks (LNA -T-120)

**Marketing/brand management:**

Vp-mktg srvc, Bob Kent

Dir adv, Joe Opre

Media ping mgr, Susan Furedi

**Agency: William Esty, N.Y.**

Sr vp-mgmt supr, George Beech

Vp-acct supr, Tom Boyle (L.A.)

Sr vp-media dir, Tom Hill (N.Y.)

Assoc media dirs: Ken Munkens (N.Y.),  
Jolene Fedrick (L.A.)

Media suprs: H. Amison, C. Melone

**19.****MATTEL toys**

Mattel

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,580,000        | \$ 8,188,000        |
| Supps         | 102,000             | 317,000             |
| Newspapers    | 2,186,000           | 4,805,000           |
| Network tv    | 25,919,000          | 55,533,000          |
| Spot tv       | 9,975,000           | 16,052,000          |
| Network radio | —                   | —                   |
| Spot radio    | 30,000              | 155,000             |
| Outdoor       | 20,000              | 14,000              |
| <b>Total</b>  | <b>\$41,782,000</b> | <b>\$85,064,000</b> |

**Classifications:** games (LNA G-450);

home electronics (LNA H-320)

**Marketing/brand management:**

Vp-mktg srvc, Joe Morrison

Dir adv, Jim King

**Agencies: Ogilvy & Mather, L.A.**

Sr vp-media dir, Ron Reilly

Vp-assoc media dirs: Mary Flatlie, Tom  
Coughlin**Cervantes/Choate, San Francisco**

(Hispanic markets)

Pres, John Choate

**AyerDirect, Los Angeles**

(Mattel Direct Marketing)

Exec vp, Bartine A. Stoner, Jr.

Vp-mgr AyerDirect, L.A., Donn Dufford

Vp-media dir, Shirley J. Miller

**20.****HONDA**

Honda Motor Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$12,344,000        | \$15,446,000        |
| Supps         | 415,000             | 343,000             |
| Newspapers    | 4,792,000           | 6,792,000           |
| Network tv    | 18,275,000          | 29,887,000          |
| Spot tv       | 9,240,000           | 14,556,000          |
| Network radio | —                   | 1,239,000           |
| Spot radio    | 5,485,000           | 11,866,000          |
| Outdoor       | 1,589,000           | 3,043,000           |
| <b>Total</b>  | <b>\$52,140,000</b> | <b>\$83,172,000</b> |

**Classifications:** motorcycles (LNA G-440); passenger cars (LNA T-110);

building equipment (LNA H-520);

garden machinery (LNA T-610)

**Marketing/brand management:**

(passenger cars)

Sr vp, Cliff Schmillen

Natl adv/sales prom mgr, Eric Conn

(Motorcycles, motor scooters, all terrain  
vehicles)

Asst natl adv mgr, Neil Leventhal

**Agencies: NH&S, Los Angeles**

Sr vp-mgmt rep Bob Qelsh

Vp-acct dir, Bill Hagelstein

Vp-acct supr, Tom Cavanagh

Dir of media resources, Emil  
Iannaccone

Assoc media dir, Jack Valente

**Dailey & Assoc, Los Angeles**

(Motorcycles)

Sr vp-mgmt supr, Mike Nyerges

Sr vp-media dir, Marc Feidelson

Vp-assoc media dir, George Troll

Asst media dir, Marvin Press



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**21.**  
**MARLBORO cigarettes**  
Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$27,037,000        | \$41,677,000        |
| Supps         | 1,305,000           | 4,104,000           |
| Newspapers    | 16,731,000          | 13,207,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 14,283,000          | 16,877,000          |
| <b>Total</b>  | <b>\$59,356,000</b> | <b>\$75,865,000</b> |

**Classification:** tobacco (LNA G-110)  
**Marketing/brand management:**

Vp-brand prom, Robert Fitzmaurice  
Brand mgr., Bob Roper  
Vp-media, James L. Thompson Jr.

**Agency:** Leo Burnett, Chicago  
Sr vp-client svc dir, Bill Engelbrecht  
Acct supr, Peter Volz  
Sr vp-media svcs dir, Kenneth Lane  
Vp-media, Willard Hadlock  
Media dir, Bob Houghtlin

**22.**  
**KOOL cigarettes**  
(Brown & Williamson)  
B.A.T. Industries

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$10,167,000        | \$26,813,000        |
| Supps         | 1,317,000           | 8,228,000           |
| Newspapers    | 4,821,000           | 19,138,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | 804,000             |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 3,581,000           | 19,340,000          |
| <b>Total</b>  | <b>\$19,886,000</b> | <b>\$74,323,000</b> |

**Classifications:** tobacco (LNA G-110);  
events (LNA G-320)

**Marketing/brand management:**

Grp prod dir, G. T. Reid  
Mgr media svcs, Jim Coleman  
Asst media mgr, Fran Canary  
**Agency:** Cunningham & Walsh,  
Chicago

Sr vp-acct dir, Mike S. Mayers  
Sr vp-mgmt supr, Rob Vail  
Acct supr, Cynthia Dillon

Acct exec, Karen Cononqui  
Vp-assoc media dir, Mel Stevens  
Grp media supr, Mary J. Struble

**23.**  
**BENSON & HEDGES**  
Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$19,485,000        | \$29,261,000        |
| Supps         | 4,800,000           | 5,076,000           |
| Newspapers    | 7,032,000           | 24,219,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 4,554,000           | 8,260,000           |
| <b>Total</b>  | <b>\$35,871,000</b> | <b>\$66,816,000</b> |

**Classification:** tobacco (LNA G-110)  
**Marketing/brand management:**

Vp-brand prom, Robert Fitzmaurice  
Brand mgr, Lawrence E. Wilson  
Vp-media, James L. Thompson, Jr.  
**Agency:** Wells, Rich, Greene, N.Y.  
Sr vp-acct grp head, David Bulleit  
Vp-mgmt suprs: Vince Minicucci, Jayne Eastman

Sr vp-corp media dir, Bob Geis  
Vp-plng svcs dir, Steve Ziglar  
Plng grp head, William Ferguson

**24.**  
**MERIT**  
Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$20,747,000        | \$28,264,000        |
| Supps         | 3,568,000           | 4,114,000           |
| Newspapers    | 38,133,000          | 23,681,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 12,780,000          | 9,978,000           |
| <b>Total</b>  | <b>\$75,228,000</b> | <b>\$66,037,000</b> |

**Classification:** tobacco (LNA G-110)  
**Marketing/brand management:**

Vp-brand prom, Robert Fitzmaurice  
Brand mgr, Richard L. Stirlen  
Vp-media, James L. Thompson, Jr.  
**Agency:** Leo Burnett, Chicago  
Sr vp-client svc dir, Bill Engelbrecht  
Acct supr, Peter Metz  
Sr vp-media svcs dir, Kenneth Lane  
Vp-media, Willard Hadlock  
Media dir, Bob Houghtlin



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**25.**  
**PEPSI-COLA**  
PepsiCo

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 254,000          | \$ 271,000          |
| Supps         | —                   | —                   |
| Newspapers    | 1,843,000           | 1,786,000           |
| Network tv    | 10,129,000          | 13,319,000          |
| Spot tv       | 34,461,000          | 40,784,000          |
| Network radio | —                   | —                   |
| Spot radio    | 6,926,000           | 8,825,000           |
| Outdoor       | 138,000             | 999,000             |
| <b>Total</b>  | <b>\$53,751,000</b> | <b>\$65,984,000</b> |

**Classification:** soft drinks (LNA F-220)

**Marketing/brand management:**

Vp-mktg, Dan Clark

Media dir, Henry V. Hayes

Natl media mgr, Ron Mednick

**Agency:** BBDO, New York

Exec vp-mgmt supr, John Dunning

Exec vp-dir of media prog, Arnie

Semsky

Sr vp-dir of media plng srvc, Mike

Drake

Sr vp-dir media buying, Larry Hoffner

Vp-assoc dir ntwk plng, Susan

Auerbach

Vp-assoc media dir, Ivan Becker

Ntwk supr, Larry Blasius  
Media supr, Rene Goldmuntz  
Media plnr, David Hady

**26.**  
**BARCLAY**  
(Brown & Williamson)  
B.A.T. Industries

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$30,255,000        | \$29,025,000        |
| Supps         | 11,841,000          | 8,600,000           |
| Newspapers    | 34,917,000          | 13,851,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 18,659,000          | 14,501,000          |
| <b>Total</b>  | <b>\$95,672,000</b> | <b>\$65,977,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Grp prod dir, Doug Falk

Mgr media srvc, Jim Coleman

**Agencies:** Ogilvy & Mather, N.Y.

(creative only)

Sr vp-mgmt supr, Mike Newbrand

Cunningham & Walsh, N.Y.

(media)

Sr vp-media, Frank P. McDonald

**27.**  
**VOLKSWAGEN cars, trucks**  
Volkswagenwerk A. G.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$12,141,000        | \$13,993,000        |
| Supps         | 23,000              | —                   |
| Newspapers    | 5,811,000           | 11,657,000          |
| Network tv    | 19,942,000          | 22,355,000          |
| Spot tv       | 11,141,000          | 14,653,000          |
| Network radio | —                   | —                   |
| Spot radio    | 606,000             | 1,867,000           |
| Outdoor       | 812,000             | 74,000              |
| <b>Total</b>  | <b>\$50,476,000</b> | <b>\$64,599,000</b> |

**Classification:** cars (LNA T-110)

**Marketing/brand management:**

Exec vp-sales & mktg, Peter Weiher

Vp-VW Div, James R. Fuller

Mgr, mktg srvc, Charles R. Hughes

Mgr, VW adv, John Slaven

Reg adv mgr, Mike Kaptuch

**Agency:** DDB, Detroit

Pres, Robert Rees

sr vp-mgmt supr, Willy Hopkins

Vp-acct supr, Sal Triano

Acct supr, Christopher J. Ally

Vp-acct supr, reg oper, Ron Rogginger

Vp-dir media & prog, Al Petcavage



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**28.**  
**DODGE cars and trucks**  
Chrysler

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$10,471,000        | \$10,078,000        |
| Supps         | 193,000             | 731,000             |
| Newspapers    | 11,231,000          | 12,406,000          |
| Network tv    | 19,856,000          | 24,063,000          |
| Spot tv       | 20,610,000          | 11,304,000          |
| Network radio | 152,000             | 2,107,000           |
| Spot radio    | 4,309,000           | 4,387,000           |
| Outdoor       | 245,000             | 360,000             |
| <b>Total</b>  | <b>\$67,067,000</b> | <b>\$65,376,000</b> |

**Classifications:** passenger cars (LNA T-110); trucks (LNA T-120)

**Marketing/brand management:**

Vp-mktg, J. A. Campana

Gen mktg mgr, J. N. Caddell

Natl adv mgr, J. J. Cronin

Adv mgrs: M. Duika (cars), L. F. Farrell

(trucks), K. J. Laurence (retail)

**Agency:** BBDO, Detroit

Exec vp-gen mgr, Ron Mitchell

Sr vp-mgmt supr: Bill Oswald (cars),

Ken Steadman (trucks)

Sr vp-exec dir media srvc, Eugene

McCarthy

Vp-media dirs: Karen Ritchie (cars),  
Ted Zahrfeld (trucks)  
Vp-mgr tv/radio, Susan Stoll  
Media suprs/plnrs: D. Sinclair (cars), J.  
Caponigro (trucks)

## 29. BURGER KING restaurants Pillsbury

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 162,000          | \$ 94,000           |
| Supps         | —                   | 134,000             |
| Newspapers    | 59,000              | 87,000              |
| Network tv    | 27,832,000          | 35,400,000          |
| Spot tv       | 18,400,000          | 28,759,000          |
| Network radio | —                   | —                   |
| Spot radio    | 1,979,000           | —                   |
| Outdoor       | 365,000             | 691,000             |
| <b>Total</b>  | <b>\$48,797,000</b> | <b>\$65,165,000</b> |

**Classification:** restaurants (LNA  
G-330)

**Marketing/brand management:**

Exec vp-mktg, Kyle Craig

**Agency: J. Walter Thompson, N.Y.**

Sr vp-grp acct dir, Steve Bowen

Sr vp-media dir, Richard Kostyra

Sr vp-dir media plng, John Gray

Assoc media dir, Al Romano

Plnr, Larry Duke

**UniWorld Group, N.Y.**

(Minority markets)

Grp supr, Douglass Alligood

Media dir, Glenn Miller

## 30. PIZZA HUT PepsiCo

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | \$ 48,000           | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | 10,104,000          | \$13,283,000        |
| Spot tv       | 14,006,000          | 22,403,000          |
| Network radio | —                   | —                   |
| Spot radio    | 362,000             | —                   |
| Outdoor       | 54,000              | 51,000              |
| <b>Total</b>  | <b>\$24,574,000</b> | <b>\$62,945,000</b> |

**Classification:** restaurants (LNA  
G-330)

**Marketing/brand management:**

Sr vp-mktg, Bud Gates

Vp-adv, David Ropes

Dir adv, Timothy McMahon  
Dir media srvc, Wayne Pictroski  
**Agency: FCB/Chicago**  
(corporate/national)  
Grp mgmt supr, Jim Cerasani  
Mgmt supr, John McLellan  
Acct supr, Rick Karp  
Acct exec, Sue Schwendener  
Vp-media dir, Fred Wray  
Grp media dir, Bruce Smith  
Media supr, Laura Dolan  
(Network & spot media bought through  
local agencies)

## 31. KODAK cameras and film Eastman Kodak

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$13,077,000        | \$14,637,000        |
| Supps         | 423,000             | 597,000             |
| Newspapers    | 2,401,000           | 3,623,000           |
| Network tv    | 41,624,000          | 33,267,000          |
| Spot tv       | 5,588,000           | 5,843,000           |
| Network radio | 550,000             | 1,609,000           |
| Spot radio    | 904,000             | 1,818,000           |
| Outdoor       | 559,000             | 593,000             |
| <b>Total</b>  | <b>\$65,126,000</b> | <b>\$61,987,000</b> |

**Classifications:** cameras (LNA  
G-230); office machines (LNA B-310)

**Marketing/brand management:**

Vp-gen mgr, U.S. mktg div, W. J.  
Prezzano

Vp-dir mktg comm, J. J. Powers

Dir mktg comm, consumer,  
professional, finishing markets,  
R. H. McCoy

**Agencies: J. Walter Thompson, N.Y.**  
(disc camera)

Sr vp-grp acct dir, John Maher  
(film)

Vp-acct dir, John Tracosas

Acct suprs: Rich Brown, Rob Harris

Acct reps: Bob Kerwin, Buff Penrose

(cameras, international, business  
systems)

Vp-acct dir, JoAnne Laine

Mgmt suprs: Steve Cony (cameras),  
Ernest Emerling (intl.), Howard  
Holder, Bill Mick (business systems)

Acct supr, Don Maurer (cameras)

Acct reps: Sandy Ross (cameras),  
Michelle Williams (intl.)

**Media group:**

Sr vp-media dir, Richard Kostyra

Sr vp-dir media plng, John Gray

Sr vp-ntwk bdcstng, John Sisk

Vp-assoc media dirs: David Murphy,  
Gwyn Kaufman

Negotiator, Zandra Moodie

**Young & Rubicam, N.Y.**  
(instant photography, copiers)  
Sr vp-mgmt supr, Edward Comiskey  
Vp-acct supr, Paul Abry  
Acct exec, Thomas Wardrop  
Sr vp-media grp supr, George Sharpe  
Media supr, Donald Davis  
**Rumrill-Hoyt, Rochester, NY**  
(corporate)  
Mgmt supr, Joseph M. Valerio  
Grp mgr, Dave Fisher  
Acct suprs: Vicki Lewis, Ralph Simolo,  
Bob Davision  
Acct execs: Kip Brown, Scott Burns,  
Marlene Morgan  
Media dir, William Mackey  
Media plnr, Don Cramer

## 32. SALEM cigarettes R. J. Reynolds

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$13,146,000        | \$17,275,000        |
| Supps         | 1,913,000           | 2,764,000           |
| Newspapers    | 22,311,000          | 30,652,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 11,441,000          | 10,887,000          |
| <b>Total</b>  | <b>\$48,811,000</b> | <b>\$61,551,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-brand mktg, Marty Orlowsky

Mktg dir, John Winebrenner

Sr brand mgr, Ken Neher

Dir mktg srvc, Greg Novak

Dir media, Dan Pearson

Mgr media admin, R. E. Neal

Grp plng mgr, Tom McCabe

Brand plng mgr, Betty Carpenter

**Agency: William Esty, N.Y.**

Exec vp-grp mgmt supr, L. M. Wassong

Sr vp-mgmt supr, J. E. Neal

sr vp-media dir, Peter Triolo

Vp-magazine srvc, Gerald Crennan

Print srvc, Pat Reese

**Four-year trend  
totals start on  
page 56.**



### 33. GENERAL MOTORS Corporate General Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$14,010,000        | \$17,525,000        |
| Supps         | 201,200             | 1,458,000           |
| Newspapers    | 5,367,000           | 16,769,000          |
| Network tv    | 14,716,000          | 17,777,000          |
| Spot tv       | 129,000             | 3,646,000           |
| Network radio | 770,000             | 1,186,000           |
| Spot radio    | —                   | 3,098,000           |
| Outdoor       | 18,000              | 6,000               |
| <b>Total</b>  | <b>\$35,211,000</b> | <b>\$61,465,000</b> |

**Classification:** general promotion, parts (LNA T-111, 154)

**Marketing/brand management:** (Corporate advertising)

Vp-sales & mktg, R. D. Lund

Exec dir mktg, J. N. Stewart

Adv mgr, D. J. Teasdale

Ass. adv mgr, J. W. Finney

Asst adv mgr, D. K. Murley

Asst adv mgr, D. J. Bolen  
(Public affairs advertising)

Vp-pub rel, J. W. McNulty

Adv mgr, G. H. Pruette

Adv coor, Robin M. Pannecook

**Agencies: D'Arcy-MacManus & Masius, Bloomfield Hills, MI**

Vice chmn, Robin Smith

Vp-acct suprs: William A. Mara, Jr., Leo A. Hillebrand, Jr.

Sr vp-media dir, Robert Spaulding

Vp-assoc media dirs: Ed Coosai (corporate), David Irvine (Continuous Protection), William Brenneman (parts)

**N W Ayer, Detroit**

(Public affairs)

Sr vp-gen mgr, Robert Kingsbury

Sr vp mgmt supr, Richard Prince

Vp-media dir, Randall Schroeder

**UniWorld Group, N.Y.**

(Minority markets)

Acc<sup>t</sup> supr, Bernard Baskett

Media supr, Edna Edwards

### 34. UNITED UAL

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,075,000        | \$ 1,187,000        |
| Supps         | —                   | —                   |
| Newspapers    | 18,937,000          | 6,077,000           |
| Network tv    | 8,297,000           | 13,793,000          |
| Spot tv       | 16,378,000          | 25,747,000          |
| Network radio | —                   | —                   |
| Spot radio    | 1,055,000           | 13,603,000          |
| Outdoor       | 395,000             | 48,000              |
| <b>Total</b>  | <b>\$47,497,000</b> | <b>\$60,455,000</b> |

**Classifications:** passenger travel (LNA T-410); freight (LNA B-610)

**Marketing/brand management:**

Sr vp-mktg, John Zeeman

Vp-adv & prom, John Rohaak

Dir adv, Bill Alenson

Mgrs: Bill Groundwater (East), Al

Sortwell (Central), L. A. Small (West)

**Agency: Leo Burnett, Chicago**

Sr vp-client svcs dir, Dave Smith

Acct dir, Jim Thompson

Vp-acct supr, John Goad

Acct suprs: Jim Dotter, Ashton Lee

Sr vp-media svcs dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Sally Hunter

### 35. POST cereals General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,398,000        | \$ 3,558,000        |
| Supps         | 9,000               | 182,000             |
| Newspapers    | 151,000             | 443,000             |
| Network tv    | 33,035,000          | 42,906,000          |
| Spot tv       | 11,328,000          | 11,535,000          |
| Network radio | —                   | —                   |
| Spot radio    | 35,000              | 11,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$45,956,000</b> | <b>\$58,635,000</b> |

**Classification:** cereals (LNA F-122)

**Marketing/brand management:**

Gen mgr, William Korab

Mktg mgr, Tom Herskovits

Cat mgr, Chuck Marcy

**The media group includes:**

Dir media svcs, David K. Braun

Assoc media dir, P. E. Kane

Mgr media, Robert Gillespie

Media coor, L. F. Meyer

Grp mgr-natl plng, D. J. Miceli

Asst mgrs-plng: Brenda Jansen

(network), Cary Gruneberg (print)

Mgr media res, James Spaeth

Media asst, Bobby Asano

**Agencies: Ovilvy & Mather, N.Y.**

Sr vp-acct grp dir, Brendan Ryan

Mgmt supr, Cynthia Round

Acct suprs: Linda Cornelius, Scott

Marshall, Steve Calabrese

Sr vp-dir media oper, Ken Caffrey

Sr vp-assoc media dir, Tony Nacinovich

Asst media dir, Dave Leveton

**Grey, New York**

Exec vp-acct mgmt, R. O'Brien

Sr vp-dir media & prog, Alec Gerster

### 36. OLDSMOBILE cars General Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$14,012,000        | \$10,740,000        |
| Supps         | —                   | —                   |
| Newspapers    | 9,785,000           | 10,427,000          |
| Network tv    | 12,005,000          | 9,632,000           |
| Spot tv       | 12,467,000          | 20,470,000          |
| Network radio | 434,000             | —                   |
| Spot radio    | 3,249,000           | 3,999,000           |
| Outdoor       | 110,000             | 514,000             |
| <b>Total</b>  | <b>\$52,062,000</b> | <b>\$55,782,000</b> |

**Classification:** cars (LNA T-110)

**Marketing/brand management:**

Adv mgr, Palmer E. Bunker

Asst advtg mgr, Ray Juracek

**Agency: Leo Burnett, Southfield, MI**

Exec vp-gen mgr, John C. Ryan

Vp-acct supr, Roger K. Bailey

Vp-media dir, Joe Henry

### 37. ANACIN analgesic American Home Products

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,649,000        | \$ 1,376,000        |
| Supps         | 359,000             | 215,000             |
| Newspapers    | 36,000              | 223,000             |
| Network tv    | 37,855,000          | 50,051,000          |
| Spot tv       | 4,197,000           | 3,192,000           |
| Network radio | 533,000             | 612,000             |
| Spot radio    | 12,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$44,641,000</b> | <b>\$55,669,000</b> |

**Classification:** medicines (LNA D-210)

**Marketing/brand management:**

Adv dir, Steve Kubinski

(Anacin)

Grp mgr, Steve Gootzeit

Sr prod mgr, John Casey

(Anacin-3)

Grp mgr, Ed Schmitt

Sr prod mgr, Andy Davis

Prod mgr, Lyn Ciocca

Asst prod mgr, Cathy Lawless

(Maximum Strength Anacin)

Grp mgr, Art Lawrence

Prod mgr, Terry Levin

**Agencies: William Esty, N.Y.**

(Anacin/Anacin-3)

Sr grp vp-mgmt supr, G. Biava

Acct suprs: P. Balint, Will Waldron

(Anacin), Tom Perrotta (Anacin-3)

Sr vp-media dir, Peter Triolo

Vp-assoc media dir, Joseph Sander

Sr media plnrs: Charlene Frenkel

(Anacin), Zach Simon (Anacin 3)  
**Young & Rubicam, N.Y.**  
 (Maximum Strength Anacin)  
 Vp-mgmt supr, Robert Fane  
 Vp-acct supr, David Nichols  
 Acct exec, Connie Wishner  
 Vp-media grp supr, Leo Scullin  
 Media supr, Susan Mark

### 38. COCA-COLA soft drink Coca-Cola

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazine      | \$ 350,000          | \$ 276,000          |
| Supps         | —                   | —                   |
| Newspapers    | 2,191,000           | 2,535,000           |
| Network tv    | 15,203,000          | 17,197,000          |
| Spot tv       | 20,446,000          | 26,878,000          |
| Network radio | —                   | —                   |
| Spot radio    | 6,221,000           | 6,123,000           |
| Outdoor       | 2,458,000           | 2,602,000           |
| <b>Total</b>  | <b>\$46,879,000</b> | <b>\$55,611,000</b> |

**Classification:** soft drinks (LNA F-220)

**Marketing/brand management:**

Vp-mktg oper, Allen A. McCusker

Brand mgr, James Rowe

Vp-corp media dir — worldwide, William H. Lynn

Dir of media — Coca-Cola U.S.A., Charlotte Weissenberger

**Agencies:** McCann-Erickson, N.Y./Atlanta

Vice chmn, McCann-Erickson

Worldwide, John Bergin

Exec vp-mgmt rep, Ron Sugarman (Atlanta)

Vp-mgmt rep, Wayne Thornhill

Vp-acct supr, Terry Fagan

Exec vp-dir media srvc, Gene DeWitt

Sr vp-media plng dir, Ira Carlin

Media grp head, Michele Belier

**SSC&B, New York**

(diet coke)

Exec vp-Stephen Noicia

Vp-assoc media dir, Janice Clements

**Castor Spanish Intl., N.Y.**

(Spanish markets — corporate/product)

Pres, Castor Fernandez

Exec vp-acct supr, Arturo Andrade

Media dir, Jack Aquirre

**For alphabetical  
index turn to  
page 50.**

### 39. AMERICAN EXPRESS American Express

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 8,840,000        | \$11,978,000        |
| Supps         | 271,000             | 495,000             |
| Newspapers    | 5,075,000           | 8,658,000           |
| Network tv    | 22,195,000          | 17,639,000          |
| Spot tv       | 8,455,000           | 13,745,000          |
| Network radio | 1,034,000           | —                   |
| Spot radio    | 1,440,000           | 1,829,000           |
| Outdoor       | —                   | 18,000              |
| <b>Total</b>  | <b>\$47,310,000</b> | <b>\$54,362,000</b> |

**Classifications:** financial (LNA B-150); travel services (LNA T-420)

**Marketing/brand management:**

Grp vp-adv — worldwide, Richard D. Rosenbloom

(U.S. Consumer Marketing — cards/cheques)

Dir of adv, Glen Gilbert

(Service Establishment Marketing)

Vp-mktg, Richard Kotz

**Agencies:** Ogilvy & Mather, N.Y.

Sr vp-grp dir, Brenda Ryan

Sr vp-mgmt supr, Shelly Lazarus (cards)

Vp-mgmt supr, Patricia Deneroff (cheques)

Sr vp-assoc media dir, Wilma Epstein

Vp-asst media dir, Linda Fidelman

**McCann-Erickson, N.Y.**

Sr vp-mgmt rep, Ian Hooper

Vp-acct supr, Stanley Adams

Vp-assoc media dir, Vince Tortorelli

### 40. PONTIAC cars General Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,763,000        | \$10,240,000        |
| Supps         | —                   | —                   |
| Newspapers    | 5,950,000           | 5,292,000           |
| Network tv    | 24,689,000          | 20,450,000          |
| Spot tv       | 11,159,000          | 16,770,000          |
| Network radio | 893,000             | —                   |
| Spot radio    | 1,171,000           | 809,000             |
| Outdoor       | 73,000              | 97,000              |
| <b>Total</b>  | <b>\$48,698,000</b> | <b>\$53,658,000</b> |

**Classification:** cars (LNA T-110)

**Marketing/brand management:**

Dir of comm, James Graham

**Agency:** D'Arcy-MacManus & Masius, Bloomfield Hills, MI

Pres, James T. Doyle

Vp-dir mktg & res, Charles Stannard

Sr vp-media dir, Robert Spaulding

Vp-assoc media dir, Dave Irvine

Sr vp-mgmt supr, Don Effler

### 41. MICHELOB beer Anheuser-Busch

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazine      | \$ 3,380,000        | \$ 4,910,000        |
| Supps         | —                   | —                   |
| Newspapers    | 798,000             | 727,000             |
| Network tv    | 31,062,000          | 34,691,000          |
| Spot tv       | 4,402,000           | 6,156,000           |
| Network radio | 878,000             | 1,727,000           |
| Spot radio    | 4,179,000           | 5,230,000           |
| Outdoor       | 148,000             | 156,000             |
| <b>Total</b>  | <b>\$44,847,000</b> | <b>\$53,597,000</b> |

**Classification:** beer (LNA F-310)

**Marketing/brand management:**

Vp-mktg, Michael J. Roarty

Vp-brand mgmt, Jack MacDonough

Vp-corp media, Charles B. Fruit

Dir media srvc, Tony Ponturo

Grp mktg mgr, David C. Drew

Sr prod mgrs: Les Sumner (Michelob),

Paul Basquin (Michelob Light)

Asst prod mgr, Jim Sebo

Brand prom mgr, Bill Ellis

**Agency:** D'Arcy-MacManus & Masius, St. Louis

Sr vp-mgmt supr/A-B Worldwide, Percy Orthwein

Sr vp-mgmt supr/A-B Beer Brands, Tim Arnold

Acct execs: Dave Gulick, Betty

Kerckhoff (regular); Terry Lucas (Light)

Sr vp-dir media srvc, Frank Kopec

Vp-grp media dir, Steve Phelps

Assoc media dirs: Glenn DeWees

(regular), Mike Nyikes (Light)

### 42. WINSTON cigarettes R. J. Reynolds

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$20,545,000        | \$19,141,000        |
| Supps         | 2,919,000           | 2,839,000           |
| Newspapers    | 29,171,000          | 19,571,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 15,020,000          | 11,617,000          |
| <b>Total</b>  | <b>\$67,655,000</b> | <b>\$53,168,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-brand mktg, Marty Orlowsky

Vp-mktg dev, Lawrence Hall

Mktg dir, John Winebrenner

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(212) 391-2155

Sr brand manager, Rick Sanders  
Dir media, Dan Pearson  
Mgr media admin, R. E. Neal  
Grp plng mgr, Bernie Bauguess  
Brand plng mgr, Neal Sandler  
**Agency: William Esty, N.Y.**  
Exec vp-grp mgmt supr, L. M. Wassong  
Sr vp-mgmt supr, J. E. Neal  
Sr vp-media dir, Peter Triolo  
Vp-magazine srvc, Gerald Crennan  
Print srvc, Pat Reese

43.

### MAZDA cars and trucks Toyo Kogyo

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,640,000        | \$12,324,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,339,000           | 512,000             |
| Network tv    | 16,410,000          | 26,710,000          |
| Spot tv       | 914,000             | 12,958,000          |
| Network radio | —                   | —                   |
| Spot radio    | 83,000              | 46,000              |
| Outdoor       | 166,000             | 133,000             |
| <b>Total</b>  | <b>\$25,552,000</b> | <b>\$52,683,000</b> |

**Classifications:** passenger cars (LNA T-110), trucks (LNA T-120)

#### Marketing/brand management:

Sr vp-gen mgr, R. E. Hayden (MMA Central)  
Sr vp-gen mgr, E. Sundstrom (MMA-East)

**Agency: FC&B/Honig, Los Angeles**

Sr vp-grp mgmt dir, Welton Mansfield  
Sr vp-media dir, Robert MacDonald  
Media supr, Phil Mussman

44.

### CLAIROL hair products Bristol-Myers

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$14,501,000        | \$13,162,000        |
| Supps         | 1,192,000           | 586,000             |
| Newspapers    | 1,370,000           | 1,282,000           |
| Network tv    | 24,929,000          | 31,534,000          |
| Spot tv       | 4,073,000           | 3,348,000           |
| Network radio | —                   | 1,251,000           |
| Spot radio    | 879,000             | 442,000             |
| Outdoor       | —                   | 65,000              |
| <b>Total</b>  | <b>\$46,944,000</b> | <b>\$51,670,000</b> |

**Classification:** hair products (LNA D-140)

#### Marketing/brand management:

Vp-mktg, G. M. Oakes  
Vp-sales, M. DeGennaro  
Vp-package design, John Louise

Vp-new products, Richard Davidian  
**Agencies: FCB, New York**

(Creative only)

(Hair care products)

Sr vp-mgmt supr, Alan Klein

Vp-mgmt supr, Dany Khosrovani

Vp-acct dir, Stephan Smith

(Appliances)

Vp-mgmt dir, Joe Froschl

Acct dir, Linda Lustig

**DDB, New York**

(Hair care, hair coloring, skin care, new products)

Grp sr vp, Rein Luik

Sr vp-mgmt supr, Milton Harkrader

Vp-acct supr, Marie Barnard

Acct supr, Elizabeth Means

Acct execs: Ellen Conlan, Marianne Moore, Lynn Taylor

Exec vp-dir media & prog, Michael Drexler

Vp-media plng dir, Conant Sawyer

Media suprs: Pat Engel, Joan Guliotta

**Calet, Hirsch, Kurnit & Spector, N.Y.**

(Appliances, new products)

Sr vp-mgmt supr, Colin Probert

Vp-acct supr, John Stranger

Acct exec, Leslie Baker

Vp-assoc media dir, Paul Conway

Sr media plnr, Lori O'Rourke

**Wyse, New York**

(Claresses, Born Blonde, new products)

Vp-media dir, Nat Gayster

Assoc media dir, John O'Brien

Acct supr, John Shima

Acct exec, Joanne Barbieri

**Boclaro Inc.**

(house agency)

Dir, Santo Critell

Assoc dirs: Alan Yoblon, Bill Liptack,

Leo Hofmann (print)

Dir media & prog srvc, Peggy Kelly

Media mgr, Jack Sinnott

Media supr, William Grotheer

45.

### MAXWELL HOUSE coffee General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$3,910,000         | \$2,773,000         |
| Supps         | 304,000             | 815,000             |
| Newspapers    | 1,827,000           | 1,188,000           |
| Network tv    | 25,031,000          | 31,953,000          |
| Spot tv       | 8,973,000           | 8,087,000           |
| Network radio | 2,829,000           | 4,470,000           |
| Spot radio    | 2,735,000           | 2,292,000           |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$45,609,000</b> | <b>\$51,578,000</b> |

**Classification:** beverages (LNA F-170)

#### Marketing/brand management:

Vp-gen mgr, Steve Morris



Cat mgrs: Joel Johnson, Chuck Phillips  
Mktg mgr, Jon Adams

**The media group includes:**

Dir media srvc, David K. Braun  
Assoc media dir, P. E. Kane  
Mgr media, Robert Gillespie  
Media coor, L. F. Meyer  
Grp mgr-natl plng, D. J. Miceli  
Asst mgrs-plng: Brenda Jansen  
(network), Gary Gruneberg (print)

Mgr media res, James Spaeth  
Media asst, Bobby Asano

**Agency: Ogilvy & Mather, N.Y.**

Sr vp-grp dir, Peter Barnet  
Sr vp-mgmt supr, Ed Vick  
Vp-acct supr, Curtis Le Sage  
Sr vp-dir media oper, Ken Caffrey  
Sr vp-assoc media dir, Tony Nacinovich  
Vp-assoc media dir, Ray Simko

46.

**AMERICAN**

American Airlines

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,343,000        | \$ 891,000          |
| Supps         | 592,000             | 376,000             |
| Newspapers    | 20,159,000          | 18,634,000          |
| Network tv    | 2,987,000           | 12,289,000          |
| Spot tv       | 10,418,000          | 10,759,000          |
| Network radio | —                   | —                   |
| Spot radio    | 6,764,000           | 8,429,000           |
| Outdoor       | 418,000             | 186,000             |
| <b>Total</b>  | <b>\$45,661,000</b> | <b>\$51,564,000</b> |

**Classifications:** passenger travel  
(LNA T-410)

**Marketing/brand management:**

Vp-pass sales/adv, M. W. Gunn  
Sr dir adv, Adrianna W. Smits  
Sr dir freight sales/adv, Carney Wenrich  
Dir freight sales plans/adv, William J. Dreslin  
Vp-corp comm, Lowell C. Duncan  
Mgrs adv: Judith A. Kirvan, William E. Quachenbush, Bruce Goodyear, David Alpert  
Dir sales prom, Frank J. DiNuzzo  
Mgr adv admin., Gregg Mavico  
**Agency: Bozell & Jacobs, Dallas**  
Sr vp-dir media srvc, Hugh O'Brien  
Vp-dir media plng, Philip Brushaber  
Media plnrs: Sheryl Standifer, Pam Frye  
Asoc plng dir, John Thomsen  
Sr vp-grp acct dir, Paul Gold  
Vp-mgmt supr, Tom Hooke

47.

**EASTERN**

Eastern Air Lines

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,933,000        | \$ 4,263,000        |
| Supps         | 81,000              | 55,000              |
| Newspapers    | 23,597,000          | 21,218,000          |
| Network tv    | 1,742,000           | 5,203,000           |
| Spot tv       | 4,761,000           | 7,758,000           |
| Network radio | —                   | —                   |
| Spot radio    | 6,968,000           | 10,238,000          |
| Outdoor       | 2,404,000           | 2,499,000           |
| <b>Total</b>  | <b>\$43,486,000</b> | <b>\$51,234,000</b> |

**Classification:** passenger travel (LNA T-410)

**Marketing/brand management:**

Sr vp-mktg, Russell L. Ray  
Vp-adv, William H. Dowse  
Mgr adv svc, Robert A. Wolf  
**Agency: Campbell-Ewald, Detroit**  
Pres, P. A. Dow  
Sr vp-mgmt supr, J. V. Karle

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\*Scarborough, daily/Sunday combination, Boston SMSA.

Sr vp-assoc mgmt supr: R. F. Henry,  
M. F. West, Gunther Saupe (Latin  
America)

Exec vp-media dir, Thomas J. Glynn

Sr vp-assoc media dir, J. W. Nuccio

**Four-year trend  
totals start on  
page 56.**

## 48. WRIGLEY gum Wm. Wrigley, Jr.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,000            | —                   |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 32,181,000          | \$37,642,000        |
| Spot tv       | 9,350,000           | 10,868,000          |
| Network radio | —                   | —                   |
| Spot radio    | 1,740,000           | 37,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$43,275,000</b> | <b>\$48,547,000</b> |

**Classification:** gum (LNA F-210)

**Marketing/brand management:**

Vp-mktg, Ronald O. Cox

Asst vp-adv, Henry Berchert

Mktg mgrs: Niels Hoegh-Guldberg,

Gary Bebee

**Agency:** BBDO, Chicago

Pres, Erik Harkna

vp-mgmt supr, Andrew Donchak

Vp-acct supr, Walt Waschick

Vp-dir media srvc, Leonard Kay

Vp-dir media plng, Robert Garrison

Vp-dir of spot bdcst, Francine Goldfine

## 49. BUICK cars General Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,945,000        | \$ 8,217,000        |
| Supps         | 101,000             | 106,000             |
| Newspapers    | 5,861,000           | 7,242,000           |
| Network tv    | 15,990,000          | 13,763,000          |
| Spot tv       | 15,327,000          | 15,100,000          |
| Network radio | 994,000             | 2,893,000           |
| Spot radio    | 273,000             | 249,000             |
| Outdoor       | 725,000             | 933,000             |
| <b>Total</b>  | <b>\$45,216,000</b> | <b>\$48,503,000</b> |

**Classification:** cars (LNA T-110)

**Marketing/brand management:**

Vp-gen mgr, L. E. Reuss

Gen sales mgr, J. C. Perkins

Asst gen sales mgr, J. J. Faerber

Dir adv, Harold E. Savage

**Agency:** McCann-Erickson, Detroit

Sr vp-mgmt, Gerald C. Atkin

Sr vp-mgmt supr, H. W. Grusche

Vp-acct supr, Richard Hill

Vp-media dir, W. Brien Schweikart

## 50. IBM International Business Machines

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$10,386,000        | \$12,530,000        |
| Supps         | 417,000             | 740,000             |
| Newspapers    | 1,937,000           | 7,228,000           |
| Network tv    | 15,441,000          | 17,633,000          |
| Spot tv       | 1,015,000           | 3,861,000           |
| Network radio | 445,000             | 1,590,000           |
| Spot radio    | 1,574,000           | 2,774,000           |
| Outdoor       | —                   | 68,000              |
| <b>Total</b>  | <b>\$31,215,000</b> | <b>\$46,424,000</b> |

**Classification:** office machines (LNA  
B-310)

(IBM corporate)

Dir adv, C. G. Francis

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That's because we've changed  
our name to KCTV-5. It's a shorter,  
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So now, when you want to buy  
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Kansas City television. KCTV-5.



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# The (ME) test

- ✓ What mini-test market matches mainstream America demographics plus or minus 5%?
- ✓ What test market has the location that offers confidentiality/isolation to keep your new product hidden longer from competition?
- ✓ What market meets all the ADI media-mix requirements, minimal spillage, and low GRP costs (average 30 second TV spot reaches 19% @ \$15.50 per point; the newspaper buy reaches 42% @ \$15.57 a point)?
- ✓ What market offers tight monitoring and control with 80% reach of the All Commodity Volume through 14 supermarkets?
- ✓ What market has the most up-to-date auditing capabilities of Nielsen, Burgoyne, SAMI?
- ✓ What market is served by a dominant newspaper with over 89,000 daily circulation and 127,000 Sunday, 96% within the ADI?
- ✓ Check the (ME) market... The Portland Mainstream. Call Mark Sullivan (Portland, ME) 207-775-5811; Gary Gagne (Landon-Boston) 617-266-2141; Roger Power (Landon-NYC) 212-867-1112.

**Test marketers select  
the (ME) Market... the  
Portland (ME)  
Press Herald  
and Evening  
Express.**



**The Portland Mainstream**

Nationally Marketed By

**LONDON**

Mgr corp print, William Harrison  
Mgr corp tv, Don Frischman  
(Information Systems Group)  
Dir of adv, Pete Judice  
Mgrs of adv: Don Butlers, Jim D'Arezzo  
(National Marketing Div)  
Mgr adv, Bob Rich  
(National Account Div)  
Mgr adv, Bob Blair  
(Federal Systems)  
Mgr adv, Bill Corey  
(IBM World Trade — A/FE)  
Mgr adv, Bob O'Leary

**Agencies: DDB, New York**

Exec vp-media & prog, Michael Drexler  
Vp-media plng dirs: John Pansuti,  
Conart Sawyer  
Grp sr vp, Lloyd Highbloom  
Vp-mgmt suprs: Stephen Kutler (corp.  
bdcst), Nancy Wiese (Product  
Centers), Thom McCarthy (ISG)

**Lord, Geller, Federico, Einstein, N.Y.**  
(Corporate)

Vp-mgmt sup, Albert Berger  
Vp-acct sup, Moira Hearne  
Acct exec, Abby Warner  
(personal computers)  
Vp-mgmt sup, Robert Wells  
Vp-acct sup, John Steinle  
Acct execs: Don Kurn, Dawn De  
Simone

Sr vp-media dir, William L. Siebert  
(personal computers)

Vp-assoc media dir, Marianne  
Caponnetto (corporate)

**Geer, DuBois, N.Y.**

Sr vp-media dir, Alan Johnson  
Vp-media plng dir, Joy Sliwa  
Sr vp-grp acct sup, John V. Allen  
Acct sup, Linda Wenger

**Marsteller, N.Y.**

(IBM Federal Systems)  
Vp-acct sup, James W. Waechter  
Vp-grp media dir, Joseph H. Newman  
**Compton, N.Y.**

(Office products — collateral only)  
Sr vp-acct sup, John Ammon

**51.  
DELTA**  
(Delta Air Lines)

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,231,000        | \$ 798,000          |
| Supps         | —                   | —                   |
| Newspapers    | 21,471,000          | 24,276,000          |
| Network tv    | 64,000              | —                   |
| Spot tv       | 5,096,000           | 6,979,000           |
| Network radio | —                   | —                   |
| Spot radio    | 10,310,000          | 11,746,000          |
| Outdoor       | 1,600,000           | 1,854,000           |
| <b>Total</b>  | <b>\$39,772,000</b> | <b>\$45,653,000</b> |



**Classification:** travel (LNA T-410)  
**Marketing/brand management:**  
 Sr vp-mktg, J. A. Cooper  
 System mgr-adv, Jim Porter  
**Agency:** BDA/BBDO, Atlanta  
 Pres-mgmt supr, Glenn Verrill  
 Vp-acct supr, Jack Walz  
 Vp-media dir, Martin Hollinger

## 52. KENTUCKY FRIED CHICKEN Heublein

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | —                   | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | \$20,371,000        | \$27,184,000        |
| Spot tv       | 15,290,000          | 14,845,000          |
| Network radio | —                   | —                   |
| Spot radio    | 459,000             | 1,429,000           |
| Outdoor       | 531,000             | 601,000             |
| <b>Total</b>  | <b>\$36,551,000</b> | <b>\$44,059,000</b> |

**Classification:** restaurants (LNA G-330)

**Marketing/brand management:**

Pres, Donald E. Doyle  
 Vp-field mktg, Robert E. Lee  
 Vp-mktg dev, C. Scott Conner  
 (National Advertising Cooperative)  
 Exec dir, Phillip E. Risinger  
 Vp, Michael O. Willson  
**Agencies:** Young & Rubicam, N.Y.  
 Exec vp-grp dir, John McGarry  
 Sr vp-mgmt supr, Edward Lebar  
 Vp-mgmt supr, Linda Patston  
 Vp-acct supr: James Siegel, John Swan  
 Acct execs: Fern Buren, Gene Rodda, Jeff Salguero  
 Vp-grp media supr, Joe Mannix  
 Media supr: Linda Wernick, Walter Gray  
**Mingo-Jones, N.Y.**  
 (ethnic markets)  
 Vp-mgmt supr, Samuel Chisholm  
 Acct supr, Roland Chandler  
 Media mgr, Betty Robinson

**For alphabetical  
 index turn to  
 page 50.  
 Trend comments  
 start on page 52.**

## 53. TYLENOL products Johnson & Johnson

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,818,000        | \$ 3,977,000        |
| Supps         | 96,000              | 53,000              |
| Newspapers    | —                   | 452,000             |
| Network tv    | 31,971,000          | 36,752,000          |
| Spot tv       | 1,881,000           | 2,753,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$36,766,000</b> | <b>\$43,987,000</b> |

**Classification:** headache remedies (LNA D-211)

**Marketing/brand management:**

Dir prod mgmt, Chandler D. Simonds  
**Agency:** Compton, N.Y.  
 Mgmt supr, Tom Lom  
 Acct supr, John Sloan  
 Assoc media dir, Carol Karasick  
 Media mgr, Pat O'Donnell  
 Assoc media mgr, Barbara Borg  
 Media plnrs: Michelle Fahey, Peggy Felix

## 54. CANON products Canon U.S.A.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 9,227,000        | \$11,683,000        |
| Supps         | 17,000              | —                   |
| Newspapers    | 992,000             | 705,000             |
| Network tv    | 16,586,000          | 21,618,000          |
| Spot tv       | 4,810,000           | 6,104,000           |
| Network radio | 1,389,000           | 2,104,000           |
| Spot radio    | 9,000               | 2,000               |
| Outdoor       | 195,000             | 335,000             |
| <b>Total</b>  | <b>\$33,225,000</b> | <b>\$42,551,000</b> |

**Classifications:** cameras (LNA G-230); business machines (LNA B-310)

**Marketing/brand management:**

Adv mgrs: T. Hirasawa (cameras), H. Hirai (copiers), H. Iwanami (calculators)

**Agencies:** Grey, New York (cameras)

Exec vp-acct mgmt, W. Overend  
 Sr vp-dir media & prog, Alec Gerster  
 Vp-assoc media dir, John Jacobs  
**Denstu, New York**  
 (cameras, copiers, calculators)  
 Vp-mgmt supr, Frank Savarese  
 Mgmt supr, Richard Pressman  
 Media dir, Bill Barrett

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**The  
Syracuse  
Newspapers**

Represented Nationally by: Newhouse Newspapers

Herald-Journal  
 Herald American  
 The Post-Standard

55.

**VANTAGE cigarettes**

R. J. Reynolds

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$19,787,000        | \$20,591,000        |
| Supps         | 3,680,000           | 714,000             |
| Newspapers    | 28,514,000          | 9,978,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 6,412,000           | 10,804,000          |
| <b>Total</b>  | <b>\$58,393,000</b> | <b>\$42,087,000</b> |

**Classification:** tobacco (LNA G-110)**Marketing/brand management:**

Vp-brand mktg, Marty Orlowsky

Mktg dir, Jerry McKenna

Sr brand mgr, John Goss

Dir mktg srvc, Greg Novak

Dir media, Dan Pearson

Mgr media admin, R. E. Neal

Grp plng mgr, Tom McCabe

Brand plng mgr, Randy Thompson

**Agency:** Leber Katz Partners, N.Y.

Exec vp-mgmt supr, Jerome L.

Davidow

Sr vp-mgmt supr, Robert Hirsch

Acct supr, Richard Maddock

Sr vp-media dir, Paul Benjou

56.

**XEROX office equipment**

Xerox Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$10,295,000        | \$16,928,000        |
| Supps         | —                   | 19,000              |
| Newspapers    | 5,045,000           | 5,779,000           |
| Network tv    | 11,546,000          | 15,804,000          |
| Spot tv       | 1,046,000           | 558,000             |
| Network radio | 1,191,000           | 1,658,000           |
| Spot radio    | 314,000             | 975,000             |
| Outdoor       | 95,000              | 13,000              |
| <b>Total</b>  | <b>\$29,532,000</b> | <b>\$41,734,000</b> |

**Classifications:** office machines & equipment (LNA B-312); computers (LNA B-311)**Marketing/brand management:**

Dir corp adv &amp; prom, Michael E. Kirby

Kirby

Mgr corp adv &amp; prom, Joseph M. Cooper, Jr.

**Agencies:** NH&S, New York

Exec vp-dir of acct srvc, Joe Landy

Sr vp-media dir, Page Thompson

Vp-assoc media dirs: Bernie Newman (corporate/copiers), Jay Quinn (office products)

**AyerDirect, N.Y.**

(Learning Systems Div)

Vp-mgmt supr, Joe Maddox

Vp-acct supr, Mike Concannon

Media supr, Gina Buttofocco

**Alphabetical index starts on page 50.****Four-year trend totals start on page 56.**

# THE AVERAGE ANNUAL FAMILY INCOME OF DIARIO LAS AMERICAS READERS IS \$27,342.

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57.

**PILLSBURY foods**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
| Pillsbury     | 1981                | 1982                |
| Magazines     | \$ 3,575,000        | \$ 2,893,000        |
| Supps         | 51,000              | 72,000              |
| Newspapers    | 726,000             | 267,000             |
| Network tv    | 25,203,000          | 31,364,000          |
| Spot tv       | 6,810,000           | 6,954,000           |
| Network radio | —                   | —                   |
| Spot radio    | 115,000             | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$36,480,000</b> | <b>\$41,550,000</b> |

**Classifications:** bakery goods (LNA F-100); cooking products (LNA F-110); prepared foods (LNA F-120)

**Marketing/brand management:**

Vp-gen mgr:  
 Raymond Kimrey (refrigeration products),  
 Thomas McBurney (dry grocery products),  
 Kent Larson (frozen products),  
 Thomas Reddy (business dev)  
 Vp-business unit mgr:  
 Richard Nickel (frozen pizza),  
 George McCarthy (frozen entrees),

Robert Lindsay (refrigerated foods),  
 Daniel Locke (specialty products),  
 Thomas Gartner (basic foods),  
 Kenneth Reis (canned vegetables),  
 Gary Klingl (frozen vegetables)

Dir adv srvc, William Edgley

**Agencies: Leo Burnett, Chicago**

Sr vp-client srvc dir, William Boris

Acct dir, Bill Wohlfel

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Lincoln Bumba

**Paragon, Minneapolis**

Sr vp-acct supr, Phil Hummel

Vp-acct supr, Mark Howard

Vp-media dir, Steve Anderson

**Ketchum, San Francisco**

Sr vp-mgmt supr, Tom Kettinger

Assoc media dir, Dee Ann Campbell

Sr vp-media dir, Seth Dingley

**BBDO, New York**

Vp-mgmt supr, Bob Spofford

Exec vp-dir of media & prog, Arnie Sernsky

Sr vp-dir media plng srvc, Mike Drake

Sr vp-dir media buying, Larry Hofner

Assoc media dir, Bruno Crea

Media supr, Andrew Tonacchio

Media plnr, John Osborn

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Los Angeles (213) 466-6303  
 New York (212) 490-3775  
 Philadelphia (215) 735-8017  
 San Francisco (415) 986-6388

58.

**VIRGINIA SLIMS cigarettes**

Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$16,923,000        | \$19,010,000        |
| Supps         | 3,308,000           | 4,109,000           |
| Newspapers    | 6,464,000           | 9,312,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 4,828,000           | 8,924,000           |
| <b>Total</b>  | <b>\$31,523,000</b> | <b>\$41,355,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-brand prom, Robert Fitzmaurice

Brand mgr, Howard Goldfrach

Vp-media, James L. Thompson, Jr.

**Agency: Leo Burnett, Chicago**

Sr vp-client srvc dir, Bill Engelbrecht

Acct supr, Paul Briggs

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Bob Houghtlin

**Four-year trend  
to start on  
page 56.**



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Business Review**

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## 59. MORE cigarettes R. J. Reynolds

|              | media dollars       |                     |
|--------------|---------------------|---------------------|
|              | 1981                | 1982                |
| Magazines    | \$12,607,000        | \$13,131,000        |
| Supps        | 2,545,000           | 5,510,000           |
| Newspapers   | 24,000,000          | 12,800,000          |
| Network tv   | —                   | —                   |
| Spot tv      | —                   | —                   |
| Spot radio   | —                   | —                   |
| Outdoor      | 4,954,000           | 9,381,000           |
| <b>Total</b> | <b>\$44,106,000</b> | <b>\$40,822,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-brand mktg, Marty Orlowsky

Mktg dir, Jerry McKenna

Brand mgr, Steve Strawsburg

Dir mktg srvc, Greg Novak

Dir media, Dan Pearson

Mgr media admin, R. E. Neal

Grp plng mgr, Tom McCabe

Brand plng mgr, Randy Tompson

**Agency:** Leber Katz Partners, N.Y.

Exec vp-mgmt supr, Jerome Davidow

Sr vp-mgmt supr, Robert Hirsch

Acct supr, Vanice Lee

Sr vp-media dir, Paul Benjou

## 60. GE General Electric

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$18,871,000        | \$ 8,592,000        |
| Supps         | 166,000             | 400,000             |
| Newspapers    | 7,494,000           | 4,544,000           |
| Network tv    | 29,996,000          | 24,583,000          |
| Spot tv       | 8,869,000           | 1,897,000           |
| Network radio | 2,513,000           | 177,000             |
| Spot radio    | 1,913,000           | 399,000             |
| Outdoor       | 176,000             | 83,000              |
| <b>Total</b>  | <b>\$69,998,000</b> | <b>\$40,675,000</b> |

**Classifications:** major appliances (LNA H-210); other appliances (LNA H-220); radios, tv sets (LNA H-310)

**Marketing/brand management:**

Vp, Leonard Vickers

Mgr corp adv, Karl L. Koss

Proj mgr, H. M. Snider

**Consumer products & services**

Mgr mktg comm prog, Richard A.

Costello

(Major appliances)

Mgr natl adv/mktg, Victor H. Alcott

Mgr natl adv, Ronald N. Graham

(Housewares & audio div)

Mgr-pub rel & comm, Vince Novak

Mgr-adv & mdsg plng, W. L. Courtney  
Mgr adv & sales prom, Norman R. Huey (audio)

(Video prod bus div)

Mgr mktg comm, Peter J. Gariti

(GE Credit Corp.)

Vp-mktg progs oper, Barton D. Ladd

(Lighting Business Group)

Mgr adv & sales prom, William D. Rayer

**Agency:** BBDO, New York

(Consumer divs/Corporate)

Exec vp, Frank C. Perkins

Mgmt supr: Thomas Derderian,

Charles Hassler, Gerry Schwieger

Exec vp-dir of media & prog, Arnie

Semsky

Sr vp-dir media plng srvc, Mike Drake

Sr vp-dir of media buying, Larry Hoffner

Vp-assoc media dirs: John Belfiore,

Mark Buttitta

Assoc media dir, Bruno Crea

Sr vp-assoc ntwk dir, Bill Croasdale

Media supr, Steve Kurtzer

Vp-ntwk supr, John Mattimore

Media plnrs: Frances Croke, Ed

Hughes

## 61. TWA Trans World Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,272,000        | \$ 2,825,000        |
| Supps         | 199,000             | 218,000             |
| Newspapers    | 17,354,000          | 19,774,000          |
| Network tv    | 1,652,000           | —                   |
| Spot tv       | 9,345,000           | 10,086,000          |
| Network radio | 648,000             | 185,000             |
| Spot radio    | 4,757,000           | 6,205,000           |
| Outdoor       | 42,000              | 34,000              |
| <b>Total</b>  | <b>\$37,269,000</b> | <b>\$39,327,000</b> |

**Classification:** passenger travel (LNA T-410)

**Marketing/brand management:**

Vp-adv & sales, Brian J. Kennedy

(pass. & cargo)

Staff vps-mktg: Larry Toulouse (pass.),

Scott Johnson (cargo)

**Agency:** Ogilvy & Mather, N.Y.

Sr vp-mgmt supr, Max Bisset

Acct supr: Chuck Hodgkinson,

Natasha Kavanagh (new business)

Sr vp-dir media oper, Kenneth Caffrey

Vp-assoc media dir, Jack Deitchman

Asst media dir, Mark Rice

**Four-year trend  
totals start on  
page 56.**

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Boston, MA (617) 495-6182

## 62. CREST toothpaste Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,693,000        | \$ 2,773,000        |
| Supps         | 14,000              | 25,000              |
| Newspapers    | 124,000             | 47,000              |
| Network tv    | 35,258,000          | 32,351,000          |
| Spot tv       | 3,690,000           | 4,073,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 109,000             | —                   |
| <b>Total</b>  | <b>\$45,888,000</b> | <b>\$39,270,000</b> |

**Classification:** dental supplies (LNA D-121)

**Marketing/brand management:**

Div mgr, C. A. Lieppe

Adv mgr, M. S. Levy

**The media group includes:**

Dir media, Russ Condit

Media suprs: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie Paladin

**Agency: Benton & Bowles, N.Y.**

Sr vp-acct dir, Tom Carey

Vp-mgmt supr, Ira Schwartz

Acct supr, Greg Walker

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Steve Farella

## 63. MERCURY cars Ford Motor

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 9,914,000        | \$ 4,658,000        |
| Supps         | —                   | —                   |
| Newspapers    | 4,619,000           | 3,958,000           |
| Network tv    | 21,872,000          | 19,208,000          |
| Spot tv       | 7,375,000           | 9,281,000           |
| Network radio | 238,000             | 1,285,000           |
| Spot radio    | 957,000             | 597,000             |
| Outdoor       | 132,000             | 128,000             |
| <b>Total</b>  | <b>\$45,107,000</b> | <b>\$39,115,000</b> |

**Classification:** passenger cars (LNA T-110)

**Marketing/brand management:**

Gen mktg mgr, B. Coughlan

Adv mgr, John B. Vanderzee

**Agency: Young & Rubicam, Detroit**

Sr vp-grp dir, John Sanders

Vp-media dir, Ken Pool

## 64. POLAROID products Polaroid Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,418,000        | \$ 4,558,000        |
| Supps         | 51,000              | 118,000             |
| Newspapers    | 2,267,000           | 1,388,000           |
| Network tv    | 30,334,000          | 31,037,000          |
| Spot tv       | 1,457,000           | 753,000             |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$40,527,000</b> | <b>\$37,854,000</b> |

**Classifications:** cameras (LNA G-230); office machines (LNA B-312); building systems (LNA H-525)

**Marketing/brand management:**

Grp vp-mktg, Joseph J. McLaughlin

Dir No. Amer. adv, James Andrews

Dir U.S. con adv, Laurence Beeson

Dir ind & tech adv, Adrian Van Dorpe

**Agency: DDB, New York**

Exec vp-media & prog, Michael Drexler

Vp-media plng dir, Steve Caputo

Assoc media dirs: Elizabeth Lubarsky,

Kathy Kersnowski (business print)

Media asst, Nancy Bernstein

Grp sr vp, Jim McConnell

Sr vp-media suprs: Robert Moehl

(domestic), Bennis Byrnes (intl.)

Vp-mgmt supr, John Fenyo

(business/professional)

## 65. CAMEL cigarettes R. J. Reynolds

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 8,917,000        | \$10,518,000        |
| Supps         | —                   | —                   |
| Newspapers    | 14,566,000          | 11,290,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 10,786,000          | 16,026,000          |
| <b>Total</b>  | <b>\$34,269,000</b> | <b>\$37,834,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-brand mktg, Marty Orlowsky

Mktg, dir, John Shostak

Dir media, Dan Pearson

Mgr media admin, R. E. Neal

Grp plng mgr, Bernie Bauguess

Brand plng mgr, Lis Marcotullio

**Agency: McCann-Erickson Intl, N.Y.**

Exec vp, Charles Hamm

Sr vps: mgmt dir, David Clapp (U.S.A.),

Stewart Pierce Brown (Intl.)

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## 66. CADILLAC cars General Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,212,000        | \$ 5,150,000        |
| Supps         | 66,000              | 46,000              |
| Newspapers    | 13,522,000          | 16,752,000          |
| Network tv    | 6,012,000           | 6,992,000           |
| Spot tv       | 5,338,000           | 5,792,000           |
| Network radio | —                   | —                   |
| Spot radio    | 1,321,000           | 690,000             |
| Outdoor       | 198,000             | 669,000             |
| <b>Total</b>  | <b>\$36,669,000</b> | <b>\$36,091,000</b> |

**Classification:** cars (LNA T-110)  
**Marketing/brand management:**  
Mktg dir, Gordon Horsburgh  
Dir mdsg, R. B. Welday  
Asst dirs mdsg: F. R. Cadicamo, W. J. Dean  
**Agency:** D'Arcy-MacManus & Masius, Bloomfield Hills, MI  
Pres, James T. Doyle  
Sr vp-mgmt supr, Alex Morton  
Vp-acct suprs: Robert Wallace, Ned Sale  
Vp-dir mktg & res, Charles Stannard  
Sr vp-media dir, Robert Spaulding  
Vp-assoc media dir, Marty Choinski

## 67. SEAGRAM liquors Seagram Distillers Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$29,742,000        | \$24,042,000        |
| Supps         | 2,027,000           | 602,000             |
| Newspapers    | 2,384,000           | 3,418,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 4,975,000           | 6,217,000           |
| <b>Total</b>  | <b>\$39,128,000</b> | <b>\$34,279,000</b> |

**Classification:** liquor (LNA F-330)  
**Marketing/brand management:**  
Exec vp-mktg, Joel Weiner  
Vp-dir mktg res, R. W. Beller  
**Agencies:** Warwick, N.Y.  
Exec vp-grp mgmt supr, James Driscoll  
Sr vp-mgmt supr, Mike Graham  
Exec vp-media and admin, John Meskil  
Sr vp-media dir, Dominick Spoto  
Vp-grp media suprs, Gordon Bring, Lou Costa, Jerry Seufferling  
Media supr, Peggy Murphy

## 68. COLUMBIA motion pictures Coca-Cola

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,225,000        | \$ 428,000          |
| Supps         | 18,000              | 112,000             |
| Newspapers    | 29,000              | 156,000             |
| Network tv    | 32,612,000          | 25,638,000          |
| Spot tv       | 2,763,000           | 5,923,000           |
| Network radio | 61,000              | 28,000              |
| Spot radio    | 3,101,000           | 1,608,000           |
| Outdoor       | 22,000              | 148,000             |
| <b>Total</b>  | <b>\$39,831,000</b> | <b>\$34,041,000</b> |

**Classification:** movies (LNA G-310)  
**Marketing/brand management:**  
Pres-mktg/res, Marvin Antonowsky  
**Agencies:** Ogilvy & Mather, L.A. (motion pictures)  
Vp-mgmt supr, Mary Ellen Stoetzel  
Vp-media dir, Ro Campbell  
**Sturberg & Hewitt, N.Y.** (Tv programs)  
Vp-client svc, David Stone  
Media div, John Cull

## 69. RENAULT American Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,839,000        | \$ 9,394,000        |
| Supps         | —                   | —                   |
| Newspapers    | 763,000             | 3,075,000           |
| Network tv    | 2,952,000           | 12,763,000          |
| Spot tv       | 5,632,000           | 8,650,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 13,000              | 144,000             |
| <b>Total</b>  | <b>\$15,199,000</b> | <b>\$34,026,000</b> |

**Classification:** cars (LNA T-112)  
**Marketing/brand management:**  
Mktg dir, Howard Mosher  
Adv mgr, Marvin Klein  
**Agency:** Grey, New York  
Exec vp-acct mgmt, Louis G. Maloof  
Sr vp-media & prog, Alec Gerster

**For alphabetical  
index turn to  
page 50.**



## 70. 20TH CENTURY-FOX films

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,417,000        | \$ 431,000          |
| Supps         | 131,000             | 319,000             |
| Newspapers    | —                   | 621,000             |
| Network tv    | 14,855,000          | 22,771,000          |
| Spot tv       | 6,040,000           | 8,821,000           |
| Network radio | —                   | 78,000              |
| Spot radio    | 178,000             | 765,000             |
| Outdoor       | 106,000             | 182,000             |
| <b>Total</b>  | <b>\$22,727,000</b> | <b>\$33,988,000</b> |

**Classification:** movies (LNA G-310)

**Marketing/brand management:**

Vp-media, Edie Keller

Dir media srvc, Amy Gruberg

Mgr media & co-op, Lorraine Cruz

**Agency:** JWT, Entertainment Div.,

Los Angeles/New York

Gen mgr, Larry Olshan

(Los Angeles)

Vp-acct supr, Dick Porter

Acct rep, Cheryl Barnes

Vp-media supr, Lisa Courtney

(New York)

Vp-acct supr, Regina Morrison

Media supr, Andrea Stern

## 71. CBS

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$17,929,000        | \$16,152,000        |
| Supps         | —                   | —                   |
| Newspapers    | 8,658,000           | 15,577,000          |
| Network tv    | —                   | —                   |
| Spot tv       | 1,332,000           | 851,000             |
| Network radio | 2,510,000           | 485,000             |
| Spot radio    | 143,000             | 393,000             |
| Outdoor       | 73,000              | 50,000              |
| <b>Total</b>  | <b>\$30,635,000</b> | <b>\$33,488,000</b> |

**Classifications:** radio stations (LNA B-430); tv stations (LNA B-440); records/tapes (LNA H-330)

**Marketing/brand management:**

Vp-ops & crtv srvc, Herman Aronson

Vp-on-air prom, G. Edwin Gish

Vp-adv & prom, Morton J. Pollack

Vp-print adv (West Coast), Elizabeth Randall

Vp-crtv dir, adv & design, Louis Dorfman

Vp-media srvc, Warren Spellman

Vp-sales/mktg (CBS Radio), Gail Barker

**Agency:** DDB, New York

Grp sr vp, Larry Iannuzell

Vp-dir newspaper/outdoor buying, Jack Cohen

## 72. WENDY'S restaurants

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | \$ 5,000            | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | 8,761,000           | \$13,817,000        |
| Spot tv       | 15,819,000          | 17,793,000          |
| Network radio | 1,308,000           | 6,000               |
| Spot radio    | —                   | 1,120,000           |
| Outdoor       | 482,000             | 676,000             |
| <b>Total</b>  | <b>\$26,375,000</b> | <b>\$33,412,000</b> |

**Classification:** restaurants (LNA G-330)

**Marketing/brand management:**

Sr vp-mktg, William Welter

**Four-year trend totals start on page 56.**

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Dir adv/sales prom, Bruce Ley  
Vp-mktg/sales, Dan Corrigan  
Dir mktg anal/new prods, Tom Lounds  
**Agency: DFS, New York**  
Exec vp-mgmt dir, Joseph Mack  
Sr vp-mgmt supr, Robert Reed  
Exec vp-media dir, Allen Banks  
Sr vp-sr assoc media dir, Ira Weinblatt  
Vp-assoc media dir, Peter Regan

**73.**

## NABISCO food products

Nabisco

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,752,000        | \$ 4,405,000        |
| Supps         | 982,000             | 2,123,000           |
| Newspapers    | 3,085,000           | 4,377,000           |
| Network tv    | 18,187,000          | 18,663,000          |
| Spot tv       | 2,957,000           | 2,995,000           |
| Network radio | 1,357,000           | 275,000             |
| Spot radio    | 188,000             | 561,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$30,508,000</b> | <b>\$33,399,000</b> |

**Classifications:** bakery goods (LNA F-160); prepared foods (LNA F-120); confectionery (LNA F-210)

## Marketing/brand management:

Vp-mktg (Nabisco Brands), W. Lee Abbott  
Div vp-mktg support, Samuel B. Haines  
Dir media, Louis J. Rubinacci (Biscuit division)  
Vps-mktg: J. Maxwell Enoch (Biscuits), David R. Holmes (Snack Foods)  
Dirs mktg: William R. Stuart (Sweet Goods), Robert H. Lanham (Crackers), William S. Brown (Snacking), Mel B. Perlmutter (Snack Foods)  
Adv mgr, Dante G. Bonardi (Confections)  
Dir mktg, Harold E. Boutillier (Grocery products)  
Vp-mktg, George Erfurt  
Grp brand mgrs: Ruth L. Brodsky (hot cereals), Stephen G. Wilkerson (pet snacks), Marianne MacManus (R-T-E cereals)

## Agencies: William Esty, N.Y.

Mgmt suprs: Tom Hayes, Jeff Greene, John Scott (special products), Andrew Allen (snack foods/special products)

Acct suprs: L. Sanford (crackers), T. Pulton (cookies), B. Gallick (special products)  
Sr vp-media dir, Peter Triolo  
Assoc media dirs: Doug Powers (special products), Phil Schwetz (crackers/cookies)

## McCann-Erickson, N.Y.

Sr vp-mgmt rep, Marsha Badanes  
Vp-acct dir, Gary Schwinder  
Exec vp-dir media srvc, Gene DeWitt  
Sr vp-media plng dir, Vince Rafti  
Assoc plng dir, George Hayes  
Media grp head, Julie Pinkwater

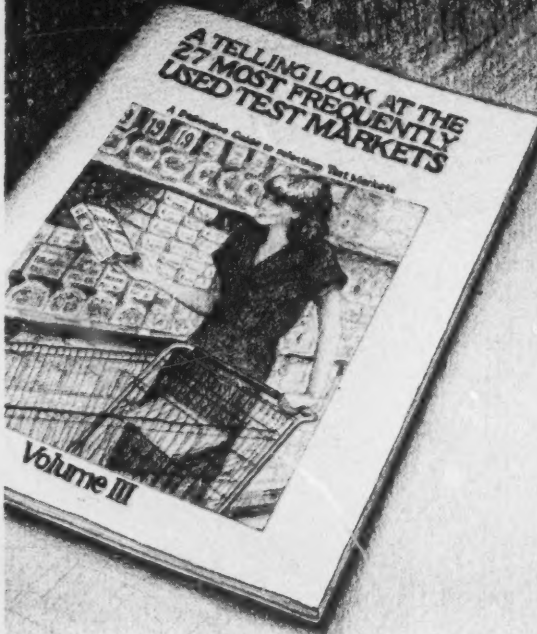
## Benton & Bowles, N.Y.

Sr vp-acct dir, Ted Burnett  
Sr vp-mgmt supr, Ken Hite  
Sr vp-mgr media plng & oper, Rich Hamilton  
Vp-assoc media dir, Brian Hughes

## Parkson, N.Y.

(crackers/network buying)  
Vp-dir client srvc, Dean Heitler  
Sr vp-bdcast media buyer, Herb Gruber  
Vp-dir media plng, Tom Garabrant

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74.

**UNIVERSAL CITY studios**  
**MCA, Inc.**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 395,000          | \$ 1,276,000        |
| Supps         | —                   | 37,000              |
| Newspapers    | 151,000             | 349,000             |
| Network tv    | 16,622,000          | 19,467,000          |
| Spot tv       | 3,736,000           | 7,882,000           |
| Network radio | —                   | 56,000              |
| Spot radio    | 6,447,000           | 3,821,000           |
| Outdoor       | 247,000             | 6,000               |
| <b>Total</b>  | <b>\$27,598,000</b> | <b>\$32,894,000</b> |

**Classification:** movies (LNA G-310)

**Marketing/brand management:**

Exec vp-adv/pub/prom, Charles O. Glenn

Vp-media &amp; co-op adv, John Butkovich

Vp-mkt res, Olen J. Earnest

Media mgr, Hy Levine

**Agency:** DDB, Los Angeles

Sr vp-mgmt supr, Simon Kornblitt

Acct supr, Susan Taylor

Acct exec, Ann Marie Whitman

Vp-dir media srvc, Nelda Chambers

Sr media plnr, Chris Steinhage

75.

**JELL-O desserts**  
**General Foods**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 8,391,000        | \$ 9,811,000        |
| Supps         | 159,000             | 28,000              |
| Newspapers    | 219,000             | 73,000              |
| Network tv    | 20,398,000          | 21,330,000          |
| Spot tv       | 4,842,000           | 2,648,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$34,009,000</b> | <b>\$32,890,000</b> |

**Classification:** desserts (LNA F-115)

**Marketing/brand management:**

Vp-gen mgr, Ken Fulton

Mktg mgr, Ray Viault

**The media group includes:**

Dir media srvc, David K. Braun

Assoc media dir, P. E. Kane

Mgr media, Robert Gillespie

Media coor, L. F. Meyer

Grp mgr-natl ping, D. J. Miceli

Asst mgrs-plng: Brenda Jansen

(network), Gary Gruneberg (print)

Mgr media res, James Spaeth

Media asst, Bobby Asano

**Agency:** Young & Rubicam, N.Y.

Exec vp-grp dir, Lawrence Shapiro

Sr vp-mgmt supr, David Cramoy

Vp-acct suprs: Phil Asche, Jerome Johnston

Acct execs: Chris Becker, Russell Nype, Sarah Adams, Mark Merriman

Vp-media grp supr, Beth Rockwood

Media supr, Greg Billie

76.

**DU PONT products**  
**E.I. du Pont**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$23,674,000        | \$20,270,000        |
| Supps         | 2,209,000           | 3,848,000           |
| Newspapers    | 300,000             | 139,000             |
| Network tv    | 11,688,000          | 3,725,000           |
| Spot tv       | 1,651,000           | 2,616,000           |
| Network radio | 65,000              | 852,000             |
| Spot radio    | 395,000             | 1,349,000           |
| Outdoor       | 3,000               | 17,000              |
| <b>Total</b>  | <b>\$39,985,000</b> | <b>\$32,816,000</b> |

**Classifications:** manufactured materials (LNA B-510); paints (LNA H-541); apparel fabrics (LNA A-170); automotive accessories (LNA T-150); fibers (LNA H-133, 143); pest control (LNA T-640)

**Marketing/brand management:**

Dir mktg comm, Charles E. Crowley

Mktg comm mgr: Richard H. Stewart

(paint), Clifford H. Weber (auto

products and Corian), Robert T.

Eldridge (Teflon), J. B. Brett, Jr.

(carpet fibers and fiberfill)

**Agencies:** NW Ayer, N.Y.

(Lucite paint, Teflon, Silverstone,

Corian)

Sr vp-exec acct dir, H. Nelson Van Sant

Sr vp-mgmt suprs: Mark Bollman,

William Scholz

Vp-acct suprs: Tina Anderegg, Dave

Clark, Dick Kennedy

Vp-assoc media dirs: Beth Gordon,

Tony Machiedo

**BBDO, New York**

Sr vp-mgmt supr, Joseph Crowley

Exec vp-dir of media &amp; prog, Arnie

Semsky

Sr vp-dir media plng srvc, Mike Drake

Sr vp-dir media buying, Larry Hoffner

Vp-assoc media dir, Mike Bienstock

Sr vp-assoc ntwk dir, Bill Croasdale

Media supr, Michelle Shotts

Media plnr, Robin Lieman

**Rumrill-Hoyt, Rochester, NY**

Mgmt supr &amp; grp mgr, Richard D.

Thomson

Acct supr, Keith Kuehn

Acct execs: Graeme Blasdel, Jack

Pilarski

Media plnr, Bill Mackey

77.

**CAMPBELL's foods**  
**Campbell Soup**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,739,000        | \$ 5,094,000        |
| Supps         | 582,000             | 770,000             |
| Newspapers    | 1,442,000           | 731,000             |
| Network tv    | 11,826,000          | 16,958,000          |
| Spot tv       | 2,431,000           | 3,215,000           |
| Network radio | 1,839,000           | 4,416,000           |
| Spot radio    | 1,785,000           | 1,578,000           |
| Outdoor       | —                   | 19,000              |
| <b>Total</b>  | <b>\$23,644,000</b> | <b>\$32,781,000</b> |

**Classification:** prepared foods (LNA F-120)

**Marketing/brand management:**

Mngng dir, CSC Advertising, Paul

Mulcahy

Dir media srvc, George Mahrlog

Mgr media srvc, Marianne Ham

**Agencies:** Backer & Spielvogel, N.Y.

Exec vp-dir media srvc, Stephen Leff

Sr vp-media dir, Jay Schoenfeld

Assoc media dir, Ann Meschery

Media supr, Valerie Muller

Sr vp-mgmt supr, Joe Prior

**NH&S, New York**

Sr vp-acct grp dir, Phil Wallace

Vp-acct supr, Leo Mamorsky

Sr vp-media dir, Page Thompson

Vp-media mgr, David Brown

Media supr, Donna Qabbani

78.

**RCA**  
**RCA Corp.**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$11,789,000        | \$ 4,735,000        |
| Supps         | 889,000             | 520,000             |
| Newspapers    | 10,499,000          | 11,650,000          |
| Network tv    | 30,333,000          | 12,645,000          |
| Spot tv       | 2,998,000           | 2,145,000           |
| Network radio | 877,000             | 890,000             |
| Spot radio    | 296,000             | 143,000             |
| Outdoor       | 6,000               | 8,000               |
| <b>Total</b>  | <b>\$57,687,000</b> | <b>\$32,736,000</b> |

**Classifications:** home electronics (LNA H-310); records/tapes (LNA H-330); office machines (LNA B-312)

**Marketing/brand management:**

(Corporate)

Dir of adv, Joel S. Wolk

(Consumer electronics)

Vp-con comm, James K. DeVoe

Natl adv mgr, William S. Beres

(Records)

Vp-mktg, Robert Gordon



(Video Discs)  
 Vp-mktg, H. Mendelsohn  
 (Solid state)  
 Dir comm & adv, Lon Cantor  
 (Video component & display)  
 Vp-mktg, Robert K. Lorch  
 (Government systems)  
 Vp-mktg, F. H. Steiler  
 (Service company)  
 Mgr mktg svcs, Robert Ziselman  
 (Laboratories)  
 Dir mktg & pub aff, George H. Hennessy  
 (RCA Communications, Inc.)  
 Dir pub aff, Anne Haughton  
 (RCA Global Communications, Inc.)  
 Vp-mktg, Ken Gross  
 (RCA American Communications, Inc.)  
 Dir pub aff, John Williamson  
 (RCA Cylux Communications Network)  
 Dir mktg, D. Dwight Drinkard  
**Agencies: Ted Bates, N.Y.**  
 (Corporate)  
 Mgmt supr, Lee Hines  
 Acct dir, Jana Moorman  
 Vp-media dir, Nancy Clott  
**Leo Burnett, Chicago**  
 (Consumer electronics)  
 Acct dirs: Jack Brown, William Wohlfel  
 (video disc)  
 Sr vp-media svcs dir, Kenneth Lane  
 Vp-media, Wiliard Hadlock  
 Media dir, Jack Hanrahan  
**Grey, New York**  
 (Records and tapes)  
 Acct exec, Len Fogge  
 Sr vp-dir media & prog, Alec Gerster  
**UniWorld Group, N.Y.**  
 (Minority and special events)  
 Acct supr, Wayne Shealy  
 Media dir, Glenn Miller  
 Media supr, Allyne DeChalus  
**Al Paul Lefton, N.Y./Philadelphia**  
 (RCA service, government systems)  
 Media dirs: Carol Davies, Geri Flynn  
**Cappiello & Chabrowe, N.Y.**  
 (Solid state div.)  
 Media dir, Nancy Davies  
**Fearon/O'Leary, N.Y.**  
 (RCA Communications)  
 media coor, Shelly Cox  
**Hammond Farrell, N.Y.**  
 (RCA American Comm.)  
 Media dir, Charles Gade

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 page 50.**

## 79. SEVEN-UP soft drink Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,774,000        | \$ 1,073,000        |
| Supps         | 256,000             | 7,000               |
| Newspapers    | 1,087,000           | 892,000             |
| Network tv    | 24,085,000          | 20,098,000          |
| Spot tv       | 3,957,000           | 4,361,000           |
| Network radio | —                   | —                   |
| Spot radio    | 3,868,000           | 4,414,000           |
| Outdoor       | 1,896,000           | 1,889,000           |
| <b>Total</b>  | <b>\$37,923,000</b> | <b>\$32,734,000</b> |

**Classification:** soft drinks (LNA F-220)  
**Marketing/brand management:**  
 Vp-mktg, Wilson Fowle  
 Vp-media svcs, Ralph Countryman  
 Dir brand mgmt, Richard White  
**Agency: N W Ayer, N.Y.**  
 Sr vp-exec acct dir, Clark Hine  
 Sr vp-mgmt supr, Joe Harte  
 Vp-acct suprs: Lauren Tucker, L. W. Stabile, III  
 Vp-grp media dir, Jane Twyon  
 Assoc media dir, Allen Brivic  
 Media supr, Matt Schwach

## 80. COLGATE products Colgate-Palmolive

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,193,000        | \$ 4,072,000        |
| Supps         | 620,000             | 504,000             |
| Newspapers    | 1,825,000           | 151,000             |
| Network tv    | 18,730,000          | 22,778,000          |
| Spot tv       | 3,585,000           | 3,103,000           |
| Network radio | —                   | —                   |
| Spot radio    | 1,738,000           | 1,751,000           |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$29,691,000</b> | <b>\$32,359,000</b> |

**Classification:** personal hygiene (LNA D-120)  
**Marketing/brand management:**  
 Vp-gen mgr, A. C. Shepard  
 Dir of mktg, D. L. Enfield  
 Oral prods mgr, K. A. Thornhill  
 Dir media, Harry Way  
 Media plng: George Hull, S. I. Freilich  
**Agency: Ted Bates, N.Y.**  
 Exec vp-client svcs, Roger Pisani  
 Sr vp-mgmt reps: Geoff Clarkson, Sheila Paterson  
 Sr vp-exec media dir, Walter Reichel  
 Vp-media dir, John Potenzano  
 Assoc media dir, S. Johnson

## 81. COVER GIRL cosmetics Noxell Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,036,000        | \$ 9,690,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 16,987,000          | 21,975,000          |
| Spot tv       | 310,000             | 95,000              |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$24,333,000</b> | <b>\$31,760,000</b> |

**Classification:** cosmetics (LNA D-110)  
**Marketing/brand management:**  
 Sr vp-mktg, Francis J. Harrison  
 Vp-cosmetics mktg, Peter M. Troup  
 Grp prod mgr, Marie G. Bowers  
 Sr prod mgrs: A. Randy Floss, Nancy B. Phillips  
 New prods mgr, Steven J. Colnitis  
 Prod mgrs, Dean Van Nest, Robert K. McWilliams  
**Agency: SSC&B, New York**  
 Exec vp, F. Stone Roberts  
 Exec vp-media & ntwk prog, Lawrence Lamattina  
 Vp-assoc media dir, Alan Jurmain  
 Asst media dir, Priscilla Sager

## 82. NOW cigarettes R. J. Reynolds

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$12,300,000        | \$12,302,000        |
| Supps         | 4,622,000           | 1,511,000           |
| Newspapers    | 18,025,000          | 17,206,000          |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 55,000              | 16,000              |
| <b>Total</b>  | <b>\$35,002,000</b> | <b>\$31,835,000</b> |

**Classification:** tobacco (LNA G-110)  
**Marketing/brand management:**  
 Vp-brand mktg, Marty Orlowski  
 Mktg dir, John Shostak  
 Brand mgr, Jay Tobin  
 Dir mktg svcs, Greg Novak  
 Dir media, Dan Pearson  
 Mgr media admin, R. E. Neal  
 Grp plng mgr, Bernie Bauguess  
 Brand plng mgr, Les Marcotullio  
**Agency: Leber, Katz & Partners, N.Y.**  
 Exec vp-mgmt supr, Jerome Davidow  
 Sr vp-mgmt supr, Robert Hirsch  
 Acct supr, Jeff Palmer  
 Sr vp-media dir, Paul Benjou

**83.**  
**KENT cigarettes**  
(Lorillard) Loews

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$13,257,000        | \$13,033,000        |
| Supps         | 7,100,000           | 586,000             |
| Newspapers    | 27,369,000          | 9,770,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 7,550,000           | 7,752,000           |
| <b>Total</b>  | <b>\$55,276,000</b> | <b>\$31,141,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-adv & brand mgmt, T. H. Mau

Grp brand dir, M. H. Burke

Brand mgr, E. M. Kiernan

Media dir, Bill Sands

**Agency:** FC&B, New York

Grp mgmt supr, Jack Angus

Mgmt dir, Paul Iffland

Acct dir, Jill Seligson

Acct exec, Lori Kaplan

Media dir, Mike Haggerty

Assoc media dir, Jay Kosanke

Media supr, Bob Perry

**84.**  
**REVLON cosmetics**  
Revlon

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,635,000        | \$ 9,511,000        |
| Supps         | 224,000             | 276,000             |
| Newspapers    | 278,000             | 471,000             |
| Network tv    | 8,274,000           | 14,957,000          |
| Spot tv       | 11,839,000          | 5,352,000           |
| Network radio | —                   | 368,000             |
| Spot radio    | 621,000             | 13,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$28,871,000</b> | <b>\$30,948,000</b> |

**Classifications:** cosmetics (LNA

D-110); hair products (LNA D-140)

**Marketing/brand management:**

Exec vp-adv, Sanford Buchsbaum

Vp-adv srvc, George Feld

Adv dir, Ken Angel

Media dir, Anthony Cozzolino

**Agencies:** Grey, New York

(Classic Revlon, Natural Wonder, eye

makeup, European Collagen

Complex, Flex, Colorsilk, all

international)

Exec vp-acct mgmt, Robert Zimmern

Sr vp-dir media & prog, Alec Gerster

Vp-assoc media dir, Jim Bell

**50th Floor Workshop, N.Y.**

(house agency)

(Classic Revlon lipstick and nail

enamel, skin balancing makeup)

**85.**  
**LIPTON**  
Thomas J. Lipton, Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,878,000        | \$ 6,400,000        |
| Supps         | 238,000             | 407,000             |
| Newspapers    | 701,000             | 1,133,000           |
| Network tv    | 24,012,000          | 15,543,000          |
| Spot tv       | 6,152,000           | 7,399,000           |
| Network radio | —                   | —                   |
| Spot radio    | 130,000             | —                   |
| Outdoor       | —                   | 65,000              |
| <b>Total</b>  | <b>\$35,111,000</b> | <b>\$30,947,000</b> |

**Classifications:** prepared foods (LNA

F-120); food beverages (LNA F-170)

**Marketing/brand management:**

Media dir, Bruce Hoenig

**Agencies:** T.J.L. Media (in-house)

(creative)

**SSC&B, New York**

Exec vp-Hal Rover

**Young & Rubicam, N.Y.**

Sr vp-grp dir, John Hatheway

**86.**  
**JOHNSON'S products**  
Johnson & Johnson

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 9,937,000        | \$ 8,739,000        |
| Supps         | 884,000             | 91,000              |
| Newspapers    | 1,771,000           | 127,000             |
| Network tv    | 18,104,000          | 19,456,000          |
| Spot tv       | 878,000             | 1,214,000           |
| Network radio | 134,000             | 369,000             |
| Spot radio    | 2,996,000           | 455,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$34,704,000</b> | <b>\$30,451,000</b> |

**Four-year trend totals start on page 56.**



**PAMM/LAND - A SUPER Market For Advertisers!!!**

**PAMM/LAND ACCOUNTS FOR 33% OF THE FOOD SALES IN THE PITTSBURGH FOOD MARKET AREA.**

**PAMM ranks among the NATION'S TOP METRO MARKETS**

**33rd in FOOD SALES ... \$1,336,741,000**

More than San Antonio, TX

**27th in POPULATION ... 1,419,090**

More than Cincinnati, OH-KY-IN

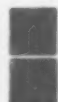
**27th in HOUSEHOLDS ... 520,260**

Larger than Milwaukee, WI

**35th in CONSUMER SPENDABLE INCOME \$10,881,330,000**

More than Bridgeport-Stamford-Norwalk-Danbury, CT

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MAJOR MARKET  
NEWSPAPER NETWORK



**NATIONALLY MARKETING BY  
LANDON ASSOCIATES INC.**

**UNDUPLICATED  
CIRCULATION  
OF 251,740**



- BEAVER COUNTY TIMES
- BUTLER EAGLE
- GREENSBURG TRIBUNE-REVIEW
- McKEESPORT NEWS
- NEW CASTLE NEWS
- UNIONTOWN HERALD STANDARD
- WASHINGTON OBSERVER REPORTER

**Classifications:** hair products (LNA D-140); skin lotions (LNA D-216, D-111); First aid (LNA D-222); hygiene (LNA D-120)

**Marketing/brand management:**

Vp & gen mgr (child development products), Paul Boorujy  
Dir-prod mgmt (baby products), William Egan  
Vp & gen mgr (diaper company), Edwin West  
Vp (adult toiletries), Carl Spalding  
**Agencies:** SSC&B, New York  
Exec vp, Alan Grazio  
Exec vp-media & ntwk prog, Lawrence Lamattina  
Vp-assoc media dir, Janice Clements  
**Young & Rubicam, N.Y.**  
Exec vp-grp dir, William Thompson  
Sr vp-mgmt supr, John Glorieux  
Vp-acct supr: Alan Catling, Joseph Tili, Mark Linder  
Acct execs: Joshua Moritz, Susan Vary, Maureen McAllister, Cathy McCarthy  
Vp-media grp supr, Ellen Oppenheim  
Media supr, David Verklein

## 87. THE NATIONAL ENQUIRER National Enquirer Inc.

|               | media dollars      |                     |
|---------------|--------------------|---------------------|
|               | 1981               | 1982                |
| Magazines     | —                  | —                   |
| Supps         | —                  | —                   |
| Newspapers    | —                  | —                   |
| Network tv    | \$ 398,000         | \$27,515,000        |
| Spot tv       | 706,000            | 2,171,000           |
| Network radio | —                  | —                   |
| Spot radio    | —                  | 69,000              |
| Outdoor       | —                  | —                   |
| <b>Total</b>  | <b>\$1,104,000</b> | <b>\$29,755,000</b> |

**Classification:** magazines (LNA B-420)

**Marketing/brand management:**

Chmn, Generoso Pope, Jr.  
Pres, Iain Calder  
**Agency:** Compton, N.Y.  
Vp-mgmt supr, David Basch  
Acct exec, Jim Williams  
Assoc media dir, J. Burbeck  
Asst media mgr, Sande Pisik

**For alphabetical  
index turn to  
page 50.  
Trend comments  
start on page 52.**

## 88. SANKA coffee General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,937,000        | \$ 920,000          |
| Supps         | 529,000             | 218,000             |
| Newspapers    | 508,000             | 655,000             |
| Network tv    | 13,593,000          | 21,414,000          |
| Spot tv       | 5,203,000           | 4,492,000           |
| Network radio | 2,099,000           | 1,880,000           |
| Spot radio    | 900,000             | 142,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$24,769,000</b> | <b>\$29,721,000</b> |

**Classification:** coffee (LNA F-171)

**Marketing/brand management:**

Vp-gen mgr, Steve Morris  
Cat mgrs: Joel Johnson, Chuck Phillips  
**The media group includes:**  
Dir media svcs, David K. Braun  
Assoc media dir, P. E. Kane  
Mgr media, Robert Gillespie  
Media coor, L. F. Meyer  
Grp mgr-natl plng, D. J. Miceli  
Asst mgrs-plng: Brenda Jansen (network), Gary Gruneberg (print)  
Mgr media res, James Spaeth  
Media asst, Robby Asano  
**Agency:** Young & Rubicam, N.Y.  
Exec vp-grp supr, Lawrence Shapiro  
Vp-mgmt supr, Anne Zopfi  
Vp-acct supr, James Martin  
Acct execs: Carla Gambescia, Connie Wishner  
Asst acct exec, Lorraine Alhadeff  
Vp-media grp supr, Mark Arnold  
Media supr, Jean-Claude Ziegler

## 89. WARNER Warner Communications

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,186,000        | \$ 566,000          |
| Supps         | —                   | —                   |
| Newspapers    | 221,000             | 598,000             |
| Network tv    | 22,768,000          | 19,394,000          |
| Spot tv       | 8,146,000           | 7,989,000           |
| Network radio | 160,000             | —                   |
| Spot radio    | 959,000             | 816,000             |
| Outdoor       | 41,000              | 28,000              |
| <b>Total</b>  | <b>\$33,481,000</b> | <b>\$29,391,000</b> |

**Classifications:** movies (LNA G-310), media (LNA B-400), tapes (LNA H-330)

**Marketing/brand management:**

Vp-crtv adv, Joel Wayne  
Vp-dir of media, Mardi Marans

Exec vp-worldwide adv, Sanford E. Reisenbach

Vp mkt res, Richard Del Belso

**Agency:** Grey, New York

(Motion pictures)

Vp, Donald Foley

Sr vp-dir media & prog, Alec Gerster

Vp-assoc media dir, Richard Thaler

## 90. CLOROX laundry products Clorox

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,307,000        | \$ 1,896,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 24,551,000          | 25,183,000          |
| Spot tv       | 1,720,000           | 1,933,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$27,578,000</b> | <b>\$29,012,000</b> |

**Classification:** laundry preparations (LNA H-420)

**Marketing/brand management:**

Gen mgr, Michael R. Gallagher  
Adv mgr, Robert P. Johnson  
Assoc adv mgr, Jack Robertson  
Dir media, Robert Bolte  
**Agency:** FC&B/Honig, San Francisco  
Sr vp-mgmt supr, Theodore Block  
Vp-mgmt supr, Peter Engler  
Acct supr: Jeff Shubert, Jon Dale, Jane Gardner  
Assoc media dir, Lor. Pulse  
Media supr, David Babbitz

## 91. NESTLE'S products Nestle Enterprises

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,431,000        | \$ 1,632,000        |
| Supps         | 384,000             | 485,000             |
| Newspapers    | 1,357,000           | 489,000             |
| Network tv    | 13,408,000          | 14,340,000          |
| Spot tv       | 12,953,000          | 9,435,000           |
| Network radio | 2,136,000           | 2,225,000           |
| Spot radio    | 609,000             | 146,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$33,278,000</b> | <b>\$28,752,000</b> |

**Classifications:** confectionery (LNA F-210); food beverages (LNA F-170); cooking products (LNA F-110)

**Marketing/brand management:**

Dir adv, Madi Ferencz  
Adv mgrs: Isabel Torbert, Robert Bishopp (media)



Adv asst, Stephanie Vuto  
 Grp vps: W. I. Squel (coffee), H. F. McInerney (tea), R. Jones (chocolate)  
 Mktg mgrs: Tom McInerney (coffee), Alan Berger (candy products), Frank Arthofer (chocolate/culinary/food)  
**Agencies: Lao Burnett, Chicago**  
 (Toll House, Crunch, new products)  
 Sr vp-client svcs dir, Bill Smith  
 Sr vp-media svcs dir, Kenneth Lane  
 Vp-media, Willard Hadlock  
 Media dir, Dick Hobbs  
**McCann-Erickson, N.Y.**  
 (Nescafe & Quik)  
 Sr vp-mgmt rep, John Boyd  
 Vp-acct dir, Peter Hall  
 Exec vp-dir media svcs, Gene DeWitt  
 Sr vp-media plng dir, Vince Rafti  
 Media grp head, Julie Pinkwater  
**Jordan, Case & McGrath, N.Y.**  
 (Hot cocoa mix)  
 Vp-assoc media dir, Jan Tosca  
 Supr/plnr, Ron Vartanyan  
**J. Walter Thompson, N.Y.**  
 (Nestea)  
 Vp-mgmt supr, Don Challis  
 Sr vp-media dir, Richard Kostyra  
 Sr vp-dir media plng, John Gray  
 Assoc media dir, Al Romano

## 92. GOODYEAR tires Goodyear

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,821,000        | \$ 1,830,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | 21,000              |
| Network tv    | 14,531,000          | 15,291,000          |
| Spot tv       | 9,461,000           | 10,267,000          |
| Network radio | 760,000             | 609,000             |
| Spot radio    | 17,000              | 402,000             |
| Outdoor       | —                   | 210,000             |
| <b>Total</b>  | <b>\$27,570,000</b> | <b>\$28,630,000</b> |

**Classifications:** tires (LNA T-140); automotive products (LNA T-150)

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start on page 52.**

**Marketing/brand management:**  
 Vp-advtg, John P. Kelley  
 Dir adv, George S. Lenox  
 Mgr adv, media svcs, George S. Drop  
 Mgr corp adv, L. B. Elms  
**Agencies: Campbell-Ewald, N.Y./Det.**  
 (Tire division)  
 Vice chmn, R. D. O'Connor  
 Pres, P. A. Dow  
 Sr vp-mgmt supr, P. J. Kennaby  
 Sr vp-acct supr, C. A. Denton  
 Exec vp-media dir, Thomas J. Glynn  
 Sr vp-assoc media dir, R. J. Gervason  
 Vp-media grp supr, E. J. Veech  
**N W Ayer, Detroit**  
 (industrial, aerospace)  
 Sr vp-mgmt supr, Richard Prince  
 Vp-acct supr, Thomas Needels  
 Vp-media dir, Randall Schroeder  
**Wyse, Cleveland**  
 Vp-mgmt supr, Bob Haverback  
 Sr vp-media plng, James Pockmire  
**Mingo-Jones, New York**  
 (ethnic-creative)  
 Acct supr, Roger Green  
**Brouillard Communications (JWT)**  
 N.Y.  
 (corporate)  
 Vp-acct supr, Ken DeCesare  
 Sr vp-media dir, Leonid Pratt  
 Bdcst buyer, Helen Colton  
 Print buyer, Bernadette Strauss

## 93. RED LOBSTER restaurants General Mills

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,000            | \$ 2,000            |
| Supps         | —                   | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | —                   | —                   |
| Spot tv       | 24,578,000          | 25,866,000          |
| Network radio | —                   | —                   |
| Spot radio    | 1,161,000           | 2,666,000           |
| Outdoor       | 68,000              | 92,000              |
| <b>Total</b>  | <b>\$25,814,000</b> | <b>\$28,626,000</b> |

**Classification:** restaurants (LNA G-330)

**Marketing/brand management:**  
 Vp-mktg, Ray Caruso  
 Adv dir, Barbara Wells  
 Adv supr, Bill Lang  
 Natl field mktg mgr, Ted Whitaker  
**Agency: D'Arcy - MacManus & Masius, St. Louis**  
 Sr vp-mgmt supr, Charles Grady  
 Vp-acct supr, Jim Palumbo  
 Acct execs: Tom Morrison, Cate Clayman, Bill Daily, David Krishock  
 Sr vp-dir media svcs, Frank Kopec  
 Vp-grp media dir, Jim Porcarelli  
 Assoc media dir, Nancy Elswick

## 94. TRUE VALUE hardware stores Cotter & Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,580,000        | \$ 3,585,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 3,108,000           | 3,291,000           |
| Spot tv       | 12,983,000          | 14,102,000          |
| Network radio | 4,923,000           | 7,461,000           |
| Spot radio    | —                   | —                   |
| Outdoor       | 8,000               | 3,000               |
| <b>Total</b>  | <b>\$23,602,000</b> | <b>\$28,442,000</b> |

**Classification:** Miscellaneous (retail) LNA G-608)

**Marketing/brand management:**  
 Sec/treas-mdsg mgr, Ed Lanctot  
**Agency: Christenson, Barclay & Shaw, Chicago**  
 Pres-acct exec, Jerry Christenson  
 Media dir, Teresa Miller

## 95. COLUMBIA records CBS

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 7,692,000        | \$ 7,603,000        |
| Supps         | 9,239,000           | 11,746,000          |
| Newspapers    | 5,994,000           | 7,066,000           |
| Network tv    | 407,000             | 370,000             |
| Spot tv       | 1,208,000           | 1,468,000           |
| Network radio | —                   | —                   |
| Spot radio    | 71,000              | 3,000               |
| Outdoor       | 44,000              | 18,000              |
| <b>Total</b>  | <b>\$24,655,000</b> | <b>\$28,274,000</b> |

**Classification:** records (LNA H-330)

**Marketing/brand management:**  
 Sr vp-gen mgr, Alvin Teller (Columbia), Don Dempsey (Epic/Portrait)  
 Vps-mktg: Bob Sherwood (Columbia), Ron McCarrell (Epic/Portrait)  
**Agencies: Wunderman, Ricotta & Kline, N.Y.**  
 Sr vp-mgmt supr, Peter Rabar  
 Vp-acct supr, Alan Beer  
 Acct exec, Pamela Weiss  
 Dir mktg & media svcs, Bob De Seng  
 Assoc media dir, Amelia Capriulo  
 Media plnr/buyer, Dani Silverstein  
**Gotham, New York**  
 (house agency)  
 Vp-adv, Linda Barton  
 Media dirs, Yvonne Ericson (tv, print), Peggy Mulhall (radio)  
 Assoc dir print media, Joe Strickoff  
 Print media buyer, Vera Sutton

96.

# **U.S. ARMY** **U.S. Army Recruiting** **Command**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,665,000        | \$ 5,138,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,617,000           | 1,323,000           |
| Network tv    | 12,320,000          | 12,311,000          |
| Spot tv       | —                   | 2,000               |
| Network radio | 1,177,000           | 3,374,000           |
| Spot radio    | 5,274,000           | 5,871,000           |
| Outdoor       | 186,000             | 246,000             |
| <b>Total</b>  | <b>\$24,239,000</b> | <b>\$28,265,000</b> |

**Classification:** U.S. Government (LNA B-160)

## **Marketing/brand management:**

Dir adv/sales prom, Col. William S. Graf  
 Media dir, Maj. Dennis Ryan

**Agency:** N W Ayer, N.Y.

Sr vp-exec acct dir, H. Nelson vanSant  
 Sr vp-mgmt suprs, Lamar LeMonte, Bill Scholz

Vp-mgmt supr, prom, Dick May

Vp-assoc media dir, Michael Gross

97.

# **COORS beer** **Adolph Coors Co.**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 16,000           | \$ 56,000           |
| Supps         | —                   | —                   |
| Newspapers    | 746,000             | 1,153,000           |
| Network tv    | 5,481,000           | 7,069,000           |
| Spot tv       | 14,814,000          | 11,367,000          |
| Network radio | —                   | —                   |
| Spot radio    | 7,712,000           | 8,081,000           |
| Outdoor       | 1,050,000           | 451,000             |
| <b>Total</b>  | <b>\$29,819,000</b> | <b>\$28,179,000</b> |

**Classification:** beer (LNA F-310)

## **Marketing/brand management:**

Sr vp-mktg: Robert A. Rechholtz

Vp-mktg, Rob Klugman

Brand dir, Mike Raymond

Brand mgr, Peter Dang

**Agencies:** FCB/Chicago

Sr vp-grp mgmt supr, Bill Melzer

Vp-mgmt supr, Mitch Engel

Vp-grp media dir, Kent Vlautin

Media suprs: Pat Signorelli, Barbara Bess, Cynthia Kerr

**Ed Yardang, San Antonio**

(Hispanic advertising)

Pres, Warren Stewart

Vp-acct supr, Carlos Montemayor

Media dir, Tony Pratt

98.

# **MAYBELLINE cosmetics** **Schering-Plough**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 8,438,000        | \$ 9,892,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 18,464,000          | 15,570,000          |
| Spot tv       | 2,301,000           | 2,531,000           |
| Network radio | —                   | —                   |
| Spot radio    | 253,000             | 76,000              |
| Outdoor       | 17,000              | —                   |
| <b>Total</b>  | <b>\$29,473,000</b> | <b>\$28,069,000</b> |

**Classification:** cosmetics (LNA D-110)

## **Marketing/brand management:**

Sr vp-mktg, Hank Pellegrin

Vp-adv, Bob Schreiber

Vp-mktg (Face/Lip), John Conte

Vp-mktg (Eye/Nail), Chris Berry

**Agencies:** Lake-Spiro-Shurman, Memphis

(house agency)

Pres, Howard K. McIntyre

Exec vp, Avron Spiro, Jr.

Vp-print media, Lynn Sanders

Spot bdcst, Gene Camerik

**(Creative agencies)**

**Ted Bates, N.Y.**

(eye and nail products)

Exec vp-client srvc, Joan Rothberg

Acct supr, Lynne King

Acct exec, Joanne Murphy

Asst acct exec, Cheryl Rego

**Bloom, Dallas**

(Moisture Whip, Daydreams)

Pres, Tony Wainwright

Vp-mgmt supr, Sherri Babcock

**Warwick, N.Y.**

(various)

Pres, Wilder Baker

Acct supr, Leon Hansen

99.

# **FOLGER'S coffee** **Procter & Gamble**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | \$ 552,000          | —                   |
| Newspapers    | 1,080,000           | \$ 145,000          |
| Network tv    | 16,769,000          | 16,595,000          |
| Spot tv       | 8,681,000           | 10,779,000          |
| Network radio | —                   | —                   |
| Spot radio    | 127,000             | 132,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$27,209,000</b> | <b>\$27,651,000</b> |

**Classification:** coffee (LNA F-171)

## **Marketing/brand management:**

Div mgr, B. J. Hintz

Adv mgr, B. L. Byrnes

**The media group includes:**

Dir media, Russ Condit

Media suprs: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie

Paladin

**Agency:** Cunningham & Walsh, N.Y.

Exec vp-dir, mktg & media srvc, Frank

McDonald

Sr vp-media, Howard Nass

Vp-media, Marcia Chapman

Media suprs: Lynn Marum (instant),

Aileen Takaki (vacuum/flaked)

Vp-acct suprs: Joseph Bouch (instant),

Dana Tower (vacuum/flaked)

Acct execs: Richard Rapp (instant),

David Blashford (vacuum/flaked)

Asst acct execs: Robert Schwartz

(instant), Carrie Field

(vacuum/flaked)

100.

# **OIL OF OLAY** **Richardson-Vicks**

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,222,000        | \$ 4,796,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 27,889,000          | 18,909,000          |
| Spot tv       | 4,651,000           | 3,893,000           |
| Network radio | 1,232,000           | —                   |
| Spot radio    | 177,000             | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$37,171,000</b> | <b>\$27,598,000</b> |

**Classification:** cosmetics (LNA D-110)

## **Marketing/brand management:**

Vp-mktg dir, Peter Wilson

Dir of media, Irwin Fleischer

Media coor, Evelyn Fitzsimmons

**Agency:** Young & Rubicam, N.Y.

Sr vp-mgmt supr, Robert Gieckler

Vp-acct supr, Joel Goren

Acct execs: Skip Beitzel, Frank

Simonelli

Vp-media grp supr, Nancy Smith

Media supr, Donna Campanella

101.

**AQUA-FRESH toothpaste**  
Beecham

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,777,000        | \$ 1,435,000        |
| Supps         | 53,000              | —                   |
| Newspapers    | 19,000              | —                   |
| Network tv    | 19,563,000          | 25,764,000          |
| Spot tv       | 208,000             | 64,000              |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$21,620,000</b> | <b>\$27,263,000</b> |

**Classification:** toothpaste (LNA D-120)**Marketing/brand management:**

Vp-sales, Robert Lancaster

Vp-mktg, R. Snell

Media dir, Philip Branch

**Agency: Grey, New York**

Sr vp-acct mgmt, Robert Burruss

Sr vp-dir media &amp; prog, Alec Gerster

Vp-assoc media dir, John Jacobs

102.

**IVORY soaps**

Procter &amp; Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 829,000          | \$ 294,000          |
| Supps         | —                   | —                   |
| Newspapers    | 65,000              | 39,000              |
| Network tv    | 18,988,000          | 21,680,000          |
| Spot tv       | 4,670,000           | 5,195,000           |
| Network radio | —                   | —                   |
| Spot radio    | 11,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$24,563,000</b> | <b>\$27,208,000</b> |

**Classifications:** soaps & detergents (LNA H-410); personal hygiene (LNA D-120)**Marketing/brand management:**

Vp, R. T. Blanchard

Adv mgrs: E. A. Glover (packaged soap), R. B. Gordon (bar soap)

**The media group includes:**

Dir media, Russ Condit

Media suprs: James P. Connell, R. H. Jones, John Taylor, Lynne C. Veil, Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell, Gordon Milne, Gordon Young, E. R. Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie Paladin

**Agencies: Compton, New York**

(Ivory Bar)

Mgmt supr, Tom Lom  
Acct mgr, Abe Gorelick  
Assoc media dir, Nancy Fastenberg (Ivory Liquid)

Mgmt supr, Fred Walti

Acct mgr, Diana Landes

Asst acct mgr, Garret Vreeland

Assoc media dir, Bob Pape

**Benton & Bowles, N.Y.**

(Ivory Snow)

Sr vp-acct dir, Tom Carey

Vp-mgmt supr, Nancy Tschirhart

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Steve Farella

103.

**PLYMOUTH**

Chrysler Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,495,000        | \$ 5,736,000        |
| Supps         | —                   | —                   |
| Newspapers    | 3,442,000           | 344,000             |
| Network tv    | 14,358,000          | 9,686,000           |
| Spot tv       | 6,975,000           | 7,839,000           |
| Network radio | 318,000             | —                   |
| Spot radio    | 676,000             | 3,328,000           |
| Outdoor       | 133,000             | 231,000             |
| <b>Total</b>  | <b>\$30,397,000</b> | <b>\$27,164,000</b> |

**Classification:** cars (LNA T-110)**Marketing/brand management:**

Vp-mktg, J. A. Campana

Gen mktg mgr, A. C. Liebler

Natl adv mgr, A. C. Kesteloot

Adv mgrs: G. A. Northrop (cars), A. D. Imber (retail)

**Agency: Kenyon & Eckhardt, Detroit**

Chmn, John J. Morrissey

Exec vp, Peter S. Dimsey

Sr vp-mgmt supr, J. R. Heekin

Vp-acct supr, B. C. Butzier

Sr vp-media dir, P. D. Matz

Sr vp-dir media plng, E. E. Kruger

Media suprs/plnrs: Craig J. Yateman (cars), Pam Iverson (dealer assn.)

104.

**SUBARU cars**

Subaru of America

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,872,000        | \$ 2,840,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,090,000           | 2,125,000           |
| Network tv    | 8,505,000           | 8,569,000           |
| Spot tv       | 7,709,000           | 13,218,000          |
| Network radio | —                   | —                   |
| Spot radio    | 225,000             | 334,000             |
| Outdoor       | 21,000              | 72,000              |
| <b>Total</b>  | <b>\$21,422,000</b> | <b>\$27,158,000</b> |

**Classification:** cars (LNA T-112)**Marketing/brand management:**

Vp-corp comm, Alan B. Ross

Dir adv/mdsg srvc, David W. Wager

Mgr, advtg media, Mark Dunn

Mgr, advtg prod, Karen Allen

**Agency: Levine, Huntley, Schmidt, Plapler & Beaver, N.Y.**

Vp-acct supr, Terry Bonaccolta

Vp-media, Jim Dragoumis

Media dir, Vivian Riley

105.

**GILLETTE toiletries**

Gillette

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,635,000        | \$ 411,000          |
| Supps         | 587,000             | 1,603,000           |
| Newspapers    | 1,307,000           | 3,236,000           |
| Network tv    | 24,713,000          | 20,150,000          |
| Spot tv       | 2,631,000           | 1,739,000           |
| Network radio | —                   | —                   |
| Spot radio    | 12,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$31,885,000</b> | <b>\$27,139,000</b> |

**Classifications:** men's/ladies' shaving (LND D-126/127); deodorants (LNA D-124); hair dryers (LNA D-144)**Marketing/brand management:**

Vps-mktg: Derek Coward (safety razor), Robert Forman (personal care)

Vp-adv srvc, Thomas Ryan

Dir media srvc, Allen Gibbs

Dir ntwk buying, Howard Fisher

Dir spot, print, new technologies, Thomas Lux

**Agencies: BBDO, New York**

Vp-mgmt suprs: William Kelly, Michael Paxton

Exec vp-dir of media &amp; prog, Arnie Sernsky

Sr vp-dir of media plng srvc, Mike Drake

Sr vp-dir media buying, Larry Hoffner (Safety razor div.)

Vp-assoc media dir, Mike Hedge

Media supr, Aaron Belson

(Personal care div.)

Vp-assoc media dir, Mark Buttitta

Vp-assoc dir, ntwk plng, Ginny Shields

Media supr, Ellen Dorman

**Young & Rubicam, N.Y.**

(Right Guard)

Sr vp-mgmt supr, Ed Lebar

Vp-acct suprs: Kenneth Robinson, John Foote

Acct execs: Cathy McCarthy, Maureen Howard



Vp-media grp supr, Diane Meskill  
Media supr, Mary Wyman  
**Marschalk, N.Y.**

(Foamy, Daisy, Widget)  
Acct suprs: Terry Levine, Mike  
Krugman

Vp-mgmt srvc dirs: John Doonor, Eric  
Einhorn (Foamy)

Exec vp-media dir, Arthur Willen  
Dir media plng, Stephen Segal  
Assoc media dir, Janet Polesel

## 106.

### NBC radio/tv RCA Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$12,915,000        | \$15,331,000        |
| Supps         | —                   | —                   |
| Newspapers    | 13,727,000          | 11,383,000          |
| Network tv    | —                   | —                   |
| Spot tv       | 4,370,000           | 20,000              |
| Network radio | 1,222,000           | 317,000             |
| Spot radio    | 381,000             | 50,000              |
| Outdoor       | —                   | 3,000               |
| <b>Total</b>  | <b>\$32,515,000</b> | <b>\$27,104,000</b> |

**Classifications:** tv stations (LNA  
B-440); radio stations (LNA B-440)

**Marketing/brand management:**  
(Network operations)  
Sr vp-entertainment div, Steve Sohmer  
(Burbank)  
(primetime programing)  
Vp-adv & prom, John Miller (Burbank)  
(News, sports, late night prog, all radio)  
Vp-adv & prom, Frank N. Pintauro  
(N.Y.)

Dir adv srvc, C. D. Mollo (N.Y.)  
Mgrs adv srvc: North Callahan (N.Y.),  
Eric Jensen (N.Y.)

**Agency: Diener/Hauser/Bates, Los  
Angeles/N.Y.**

Sr vp-media, Norman Trell (N.Y.)  
Media dir/plnr, Sylvia Greenspan (L.A.)  
Acct supr, Barry Orell (L.A.)

## 107.

### LINCOLN Ford Motor

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,811,000        | \$ 2,919,000        |
| Supps         | 36,000              | 90,000              |
| Newspapers    | 4,077,000           | 8,209,000           |
| Network tv    | 4,307,000           | 9,095,000           |
| Spot tv       | 1,637,000           | 5,650,000           |
| Network radio | 97,000              | 75,000              |
| Spot radio    | 957,000             | 397,000             |
| Outdoor       | 1,758,000           | 158,000             |
| <b>Total</b>  | <b>\$15,680,000</b> | <b>\$26,793,000</b> |

**Classification:** cars (LNA T-110)

**Marketing/brand management:**

(Lincoln-Mercury div.)

Gen mktg mgr, B. J. Coughlan

Advtg mgr, John B. Vanderzee

**Agency: Young & Rubicam, Detroit**

Sr vp-grp dir, John Sanders

Vp-grp dir, C. E. Riley

Vp-media dir, Ken Pool

## 108.

### COLECO Coleco Industries

|               | media dollars      |                     |
|---------------|--------------------|---------------------|
|               | 1981               | 1982                |
| Magazines     | —                  | \$ 1,246,000        |
| Supps         | —                  | —                   |
| Newspapers    | —                  | 340,000             |
| Network tv    | \$ 902,600         | 10,921,000          |
| Spot tv       | 6,661,000          | 14,181,000          |
| Network radio | —                  | —                   |
| Spot radio    | —                  | 9,000               |
| Outdoor       | —                  | —                   |
| <b>Total</b>  | <b>\$7,564,000</b> | <b>\$26,697,000</b> |

**Classifications:** games (LNA G-450);  
home electronics (LNA H-320)

**Marketing/brand management:**

Vp-mktg, Al Kahn

Adv mgr, Lauren D'Alessandro

**Agency: Richard & Edwards, N.Y.**

Pres-acct grp head, Richard

Schwarzchild

Sr vp-mgmt supr, Stephen Kolke

Sr vp-media dir, Shelly Hirsch

Media supr, Tom Horner

## 109.

### GALLO wines E&J Gallo

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | —                   | —                   |
| Newspapers    | \$ 65,000           | \$ 457,000          |
| Network tv    | 20,624,000          | 22,624,000          |
| Spot tv       | 584,000             | 2,945,000           |
| Network radio | —                   | —                   |
| Spot radio    | 10,000              | —                   |
| Outdoor       | 10,000              | 18,000              |
| <b>Total</b>  | <b>\$21,293,000</b> | <b>\$26,044,000</b> |

**Classification:** wine (LNA F-320)

**Marketing/brand management:**

Vp-mktg, M. G. Boyd

Mktg dirs: Gerry Glasgow, Harry

Dornec, David Mantel

Dir of media, Sue McClelland

Spot buyer, Ernie Cronkite

**Agencies: Ogilvy & Mather, San  
Francisco**

(corporate/variety/premiums)

Vp-mgmt supr, Ira Zuckerman

Media dir, Cheryl Kroyer

**NH&S, Los Angeles**

Asst media dir, Jack Valente

Media supr, Stan Botello

## 110.

### HEINZ

H. J. Heinz Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 561,000          | \$ 253,000          |
| Supps         | —                   | —                   |
| Newspapers    | 723,000             | 1,167,000           |
| Network tv    | 12,604,000          | 20,982,000          |
| Spot tv       | 3,712,000           | 3,368,000           |
| Network radio | 83,000              | —                   |
| Spot radio    | —                   | 23,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$17,683,000</b> | <b>\$25,793,000</b> |

**Classifications:** condiments (LNA  
F-116); gravies (LNA F-117)

**Marketing/brand management:**

Gen mgrs-mktg: John Crawshaw, Bill  
Johnson

Adv mgr, James Gordon

**Agencies: Leo Burnett, Chicago**

Acct dir, Chuck W. Quarnstrom

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Tom Ross

**Ketchum Communications,  
Pittsburgh**

Vp-mgmt supr, Bill Stein

Vp-assoc media dir, Judy Hofschner

## 111.

### NISSAN

#### Nissan Motors Ltd.

(See also: 18. Datsun)

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,874,000        | \$ 6,095,000        |
| Supps         | —                   | 163,000             |
| Newspapers    | —                   | —                   |
| Network tv    | 1,654,000           | 8,795,000           |
| Spot tv       | 953,000             | 10,201,000          |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 85,000              | 464,000             |
| <b>Total</b>  | <b>\$ 4,566,000</b> | <b>\$25,718,000</b> |

**Classifications:** passenger cars (LNA  
T-110); trucks (LNA T-120)

**Marketing/brand management:**

Vp-mktg. srvc, Bob Kent

Dir adv, Joe Opre

Media plng mgr, Susan Furedi

**Agency: William Esty, N.Y.**

Sr vp-mgmt supr, George Beech

Vp-acct supr, Tom Boyle (L.A.)  
 Sr vp-media dir, Tom Hill (N.Y.)  
 Assoc media dirs: Ken Munkens (N.Y.),  
 Jolene Fedrick (L.A.)  
 Media suprs: H. Amison, C. Melone

## 112.

### EVEREADY batteries Union Carbide Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 338,000          | \$ 204,000          |
| Supps         | 835,000             | 321,000             |
| Newspapers    | 792,000             | 564,000             |
| Network tv    | 21,892,000          | 19,503,000          |
| Spot tv       | 2,248,000           | 1,516,000           |
| Network radio | —                   | —                   |
| Spot radio    | 5,304,000           | 3,343,000           |
| Outdoor       | 491,000             | 14,000              |
| <b>Total</b>  | <b>\$31,900,000</b> | <b>\$25,465,000</b> |

**Classification:** household batteries  
 (LNA H-220)

#### Marketing/brand management:

Mktg mgr, G. D. Klein

Adv mgr, Douglas Orr

**Agency:** William Eery, N.Y.

Sr vp-mgmt supr, Richard Vanden  
 Bosch

Sr vp-media dir, Peter Triolo

Assoc media dir, Lucielle Gionet

Media supr, Patricia Reilly

## 113.

### FRANKLIN MINT Warner Communications

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$11,171,000        | \$11,797,000        |
| Supps         | 4,446,000           | 4,431,000           |
| Newspapers    | 9,041,000           | 8,678,000           |
| Network tv    | —                   | 20,000              |
| Spot tv       | 600,000             | 535,000             |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$25,258,000</b> | <b>\$25,461,000</b> |

**Classifications:** mail order (LNA  
 G-560); china (LNA H-111); records  
 (LNA H-330)

#### Marketing/brand management:

Exec vp-U.S. mktg div, C. Wickard

Vp-U.S. mktg, M. Breisblatt

Mktg dev, Francis Edwards

Prod dev, James Perry

**Agency:** Franklin Advertising

(House agency)

Media dir, Howard R. Batton

Dir media plng, Joseph T. Clark

## 114.

### EXXON Exxon

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,701,000        | \$ 3,399,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,110,000           | 3,381,000           |
| Network tv    | 24,199,000          | 5,734,000           |
| Spot tv       | 6,247,000           | 11,211,000          |
| Network radio | 313,000             | 471,000             |
| Spot radio    | 2,684,000           | 979,000             |
| Outdoor       | 258,000             | 257,000             |
| <b>Total</b>  | <b>\$41,512,000</b> | <b>\$25,432,000</b> |

**Classifications:** general (LNA T-230);  
 gasoline, oil (LNA T-210); office  
 machines (LNA B-312)

#### Marketing/brand management:

Adv mgr, J. L. Stanislaus

Mgr comm prog, J. Kenneth Kansas

**Agencies:** McCann-Erickson, N.Y.

Exec vp-mgmt supr, J. G. Hetherly

Vp-acct dir, Jack Collins

Acct supr, Tom Jasinski

Vp-media dir, Jim Shelby

**McCaffrey & McCall, N.Y.**

Sr vp-grp acct mgmt, John B. Collins

Vp-acct exec, Shelia Walker

Sr vp-media dir, Harris Lefkon

Vp-media mgr, Tom Wilson

Assoc media dir, Hans Zucker

Media supr, Ann Price

**Marsteller, N.Y.**

(Office systems)

Sr vp-mgmt supr, Art Zimmerman

Vp-acct supr, Jim Waechter

Vp-dir of media, Carlos Loffredo

Vp-assoc media dir, Jacques Cornet

## 115.

### CARLTON cigarettes American Brands

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$11,747,000        | \$15,707,000        |
| Supps         | —                   | —                   |
| Newspapers    | 10,321,000          | 1,962,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 8,189,000           | 7,604,000           |
| <b>Total</b>  | <b>\$30,397,000</b> | <b>\$25,273,000</b> |

**Classification:** tobacco (LNA G-110)

#### Marketing/brand management:

Mktg dir, William J. Moore

Prod mgr, H. W. Bahrenburg

Media dir, Norman H. Chester

**Agency:** Laurence, Charles & Free,  
 N.Y.

Acct mgmt supr, Mel Minor  
 Acct supr, Tom Keane  
 Sr vp-media dir, Robert Adler

## 116.

### ABC American Broadcasting

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$14,356,000        | \$13,823,000        |
| Supps         | —                   | 13,000              |
| Newspapers    | 10,240,000          | 10,241,000          |
| Network tv    | —                   | —                   |
| Spot tv       | 5,926,000           | —                   |
| Network radio | 1,087,000           | 415,000             |
| Spot radio    | 93,000              | 485,000             |
| Outdoor       | 443,000             | 12,000              |
| <b>Total</b>  | <b>\$32,145,000</b> | <b>\$24,989,000</b> |

**Classifications:** tv stations (LNA  
 B-440); radio stations (LNA B-430)

#### Marketing/brand management:

(TV network)

Vp-natl adv dir, Paul W. Barrett

Dir adv/prom, Russell Romey

(owned tv stations)

Vp-creative svcs, John Olken

**Agencies:** McCaffrey & McCall, N.Y.

(TV network, Sports)

Sr vp-acct exec, Norman Freedman

Acct execs: Barry Weintraub, Pat

Corrigan

Sr vp-media dir, Harris Lefkon

Assoc media dir, Hans Zucker

Media supr, Grace Mathias

**Grey, New York**

(Movies, ABC Theatre)

Sr vp-dir media & prog, Alec Gerster

Vp, Donald Foley

**N W Ayer, N.Y.**

(ABC News, corporate adv)

Exec vp-exec acct dir, Thomas F.

Maxey

Vp-acct supr, Irwin Fischer

Vp-grp media dir, Jane Twyon

Assoc media dir, Richard Alcott

Media plnr, Margaret Bigley

**Nadler & Larimer, N.Y.**

(Radio network)

Sr vp mgmt supr, Chuck Einach

Acct exec, Wendy Forman

Media supr, Emily Eckstein

**Four-year trend  
 totals start on  
 page 56.**

117.

**KAL KAN pet foods**  
Mars Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,025,000        | \$ 1,265,000        |
| Supps         | —                   | —                   |
| Newspapers    | 408,000             | 495,000             |
| Network tv    | 7,604,000           | 14,512,000          |
| Spot tv       | 6,123,000           | 8,636,000           |
| Network radio | —                   | —                   |
| Spot radio    | 28,000              | 4,000               |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$15,188,000</b> | <b>\$24,912,000</b> |

**Classification:** pet foods (LNA G-531)**Marketing/brand management:**

Vp-mktg, Ed Conn

Mktg dirs, Mike Nelson, Alfred Poe

Mktg svcs dir, Brian Billings

**Agencies:** Ted Bates, N.Y.

Sr vp-mgmt rep, Jerry Brady

Acct suprs: Ron Gudinskas, Carol

Good

Acct execs: Marilyn Shames, Paul

Kramer

Vp-media dir, Nancy Clott

Assoc media dir, Stephen Marietta

Media plnrs: Martin Walsh, Amy Marsh

**D'Arcy-MacManus & Masius, St.**

Louis

Sr vp-mgmt supr, Jack Bruemmer

Assoc media dir, Mike Nyikes

118.

**PLAYTEX products**  
Esmark

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,150,000        | \$ 1,506,000        |
| Supps         | 15,000              | —                   |
| Newspapers    | —                   | 66,000              |
| Network tv    | 22,581,000          | 21,611,000          |
| Spot tv       | 1,723,000           | 1,657,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$27,469,000</b> | <b>\$24,850,000</b> |

**Classifications:** underwear (LNA

A-120); hygiene (LNA D-123)

**Marketing/brand management:**

Dir media svcs, George Montaigne

**Agency:** Grey, New York

Exec vp-acct mgmt, Robert Schoenfein

Sr vp-dir media &amp; prog, Alec Gerster

Vp-assoc media dir, Robert Giacomini

119.

**DRISTAN cold remedies**  
American Home Products

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 353,000          | \$ 505,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 19,863,000          | 21,520,000          |
| Spot tv       | 3,452,000           | 2,512,000           |
| Network radio | —                   | —                   |
| Spot radio    | 128,000             | 87,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$23,796,000</b> | <b>\$24,624,000</b> |

**Classification:** medicines (LNA D-210)**Marketing/brand management:**

Adv dir, Steve Kubinski

(Tablets/Capsules)

Grp prod mgr, Ted Brennan

Sr prod mgr, Ron Miller

(Nasal Mist)

Grp prod mgr, Hal Danser

Prod mgr, George Rooney

(Ultra Colds Formula)

Grp prod mgr, Dick Howland

Prod mgr, Carol Marsh

**Agencies:** William Esty, N.Y.

(Tablets/Capsules/Nasal Mist)

Sr vp-mgmt supr, George Biava

Vp-acct supr, Ed Baucio

Sr media dir, Peter Triolo

Vp-assoc media dir, Joseph Sander

**Kornhauser & Calene, N.Y.**

(Ultra Colds Formula)

sr vp-mgmt supr, Rick Kornhauser

Vp-acct supr, Tom Dianis

Vp-media mgr, Gary Faver

120.

**RAGU foods**  
Chesebrough-Pond's

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | \$ 5,058,000        |
| Supps         | —                   | 287,000             |
| Newspapers    | \$ 237,000          | 771,000             |
| Network tv    | 12,761,000          | 15,832,000          |
| Spot tv       | 3,240,000           | 2,091,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | 81,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,238,000</b> | <b>\$24,120,000</b> |

**Classifications:** sauces (LNA F-117);

prepared mixes (LNA F-113)

**Marketing/brand management:**

Mktg dir, Michael Jeans

Grp prod mgrs: Robert Maurer (Ragu),

Ed Volkwein (Pizza Quick sauce/new products)

Media dir-corp, Joseph Campion

**Agency:** Waring & LaRosa, N.Y.

Mgmt supr, Irwin Levy

Acct execs: Clark Oliver, Don Amira,

Marianna McCabe

Sr vp-media dir, Martin Narva

Assoc media dir, Jean Mandel

121.

**LOWENBRAU beer**  
Philip Morris

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 52,000           | \$ 111,000          |
| Supps         | 7,000               | —                   |
| Newspapers    | 238,000             | 131,000             |
| Network tv    | 15,032,000          | 16,096,000          |
| Spot tv       | 4,397,000           | 6,412,000           |
| Network radio | —                   | —                   |
| Spot radio    | 1,058,000           | 1,359,000           |
| Outdoor       | 4,000               | 6,000               |
| <b>Total</b>  | <b>\$20,788,000</b> | <b>\$24,115,000</b> |

**Classification:** beer (LNA F-310)**Marketing/brand management:**

Exec vp, Lauren S. Williams

Vp-brand mgmt, William W. Catlin

Grp prod dir, Robert Toledo

Brand mgr, Jerry Schmutte

**Agencies:** Backer & Spielvogel, N.Y.

Sr vp-mgmt supr, Jeffrey Palmer

Exec vp-dir media svcs, Stephen Leff

Sr vp-media dir, Jay Schoenfeld

Vp-assoc media dir, Scott Butler

122.

**BETTY CROCKER foods**  
General Mills

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,144,000        | \$ 6,440,000        |
| Supps         | 122,000             | —                   |
| Newspapers    | 559,000             | 1,083,000           |
| Network tv    | 12,888,000          | 12,067,000          |
| Spot tv       | 2,303,000           | 3,514,000           |
| Network radio | 537,000             | 975,000             |
| Spot radio    | 75,000              | 21,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$20,628,000</b> | <b>\$24,100,000</b> |

**Classifications:** cooking products

(LNA F-110); prepared food (LNA

F-120); vegetables (LNA F-143)

**Marketing/brand management:**

Media svcs dir, Hal Nitch

Vp-dir of mktg svcs, Charles D. Weil

Adv svcs dir, Robert J. Blake

Creative svcs dir, Jack Griffin

**Agency:** NH&S, Chicago

Sr vp-dir media resources, David Drake

Vp-dir media oper, W. F. Heimann, Jr.



Vp-assoc media dir, Geoffrey McClelland  
 Media suprs: Carol Moberg, Debra Nevin  
 Print plnr, Frances Wager  
 Media plnrs: Paul Iaffaldano, Kathleen McKay, Judy Reardon  
 Local bdcst buyers: Nancy McGroarty, Nancy Evelyn, Dale Ruthenberg  
 Vp-ntwk dir, Howard Sirinsky  
 Ntwk supr, Marie Netolicky  
 Ntwk plnr, Billie Von Thaden  
 Sr vp-mgmt rep, Stuart Sharpe  
 Vp-acct supr, Colby Kerr

## 123.

### TIMEX

Timex Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,378,000        | \$ 4,538,000        |
| Supps         | 622,000             | 1,417,000           |
| Newspapers    | 1,384,000           | 2,627,000           |
| Network tv    | 10,452,000          | 12,968,000          |
| Spot tv       | 49,000              | 2,468,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | 25,000              |
| Outdoor       | —                   | 1,000               |
| <b>Total</b>  | <b>\$13,885,000</b> | <b>\$24,044,000</b> |

**Classifications:** watches (LNA G-212); computers (LNA B-311); small appliances (LNA H-280)

#### Marketing/brand management:

Vp-mktg/sales-worldwide, C. Michael Jacobi  
 (watches)  
 Dir U.S. mktg/prod plng, David Rahilly  
 Mgr of mktg, Tom Berquist  
 Adv mgr, William Keim  
 (clocks)  
 Dir of oper, Ron Weaver  
 (medical)  
 Dir of oper, Bruce Dodson  
 (computers)  
 Dir of oper, Danny Ross  
**Agencies:** Grey, New York  
 (watches and clocks)  
 Vp-mgmt rep, Clark Montgomery  
 Mgmt supr, Casey Wojechowski  
 Acct mgr, Alan Randall  
 Acct execs: Mauro Appezato, Pamela Siebels

#### J. Walter Thompson, N.Y.

(computers/medical)  
 Sr vp-grp acct dir, Peter Schweitzer  
 Vp-mgmt supr, Phil Forman  
 Acct coor, Debbie Roth  
 Acct supr, Jennifer Close (medical)  
 Acct reps: Susan Jannetta (medical), Joanne Collins (computers)  
 Vp-assoc media dir, Al Romano  
 Media supr, Emily Swartzentruber  
 Plnr, Larry Duke

## 124.

### MOBIL gasoline/oil

Mobil Oil

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,420,000        | \$ 5,211,000        |
| Supps         | 3,185,000           | 3,300,000           |
| Newspapers    | 8,105,000           | 7,226,000           |
| Network tv    | —                   | 3,000               |
| Spot tv       | 9,118,000           | 6,015,000           |
| Network radio | —                   | —                   |
| Spot radio    | 2,389,000           | 2,163,000           |
| Outdoor       | 28,000              | 22,000              |
| <b>Total</b>  | <b>\$25,245,000</b> | <b>\$23,940,000</b> |

**Classifications:** general promotion (LNA T-230); gas/oil (LNA T-211)

#### Marketing/brand management:

(U.S. Marketing and Refining Div.)  
 Vp-gen mgr mktg, R. L. Abbott  
 Gen mgr mktg srvc, K. C. Esty  
 Adv mgr, A. G. Spiess  
 Mgr cmrcl adv, Isaac Kershaw  
 Resale mgr, D. P. Spada  
 (public affairs div.)  
 Vp-public affairs, Herbert Schmertz  
 Gen mgr-pub rel, J. B. Merrell  
**Agencies:** DDB, New York  
 Grp sr vp, James V. McConnell, Jr.  
 Exec vp-dir media & prog, Michael Drexler  
 Vp-media plng dir, Steve Caputo  
 Assoc media plng dir, Elizabeth Lubarsky  
**Creamer, New York/Chicago**  
 (farm and industrial)  
 (New York)  
 Sr vp-acct supr, Fred Dixon  
 Sr vp-media dir, Bill Hoag  
 Assoc media dir, Bob Zen  
 (Chicago)  
 Vp-agric grp head, Ron Hartzman  
 Sr media plnr/buyer, Jim Wyza

## 125.

### KENNER toys

General Mills

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,287,000        | \$ 219,000          |
| Supps         | —                   | —                   |
| Newspapers    | 1,012,000           | —                   |
| Network tv    | 13,753,000          | 16,122,000          |
| Spot tv       | 7,470,000           | 7,533,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$23,522,000</b> | <b>\$23,874,000</b> |

**Classification:** games (LNA G-450)

#### Marketing/brand management:

Vp-adv/mktg srvc, Louis Gioia, Jr.  
 Dir adv-cons proms, Ellen Moser  
**Agencies:** Grey, New York  
 Exec vp-acct mgmt, W. Overend  
 Sr vp-dir media & prog, Alec Gerster  
 Vp-assoc media dir, Robert Giacomino  
**DFS, New York**  
 Exec vp-mgmt dir, Joseph Mack  
 Sr vp-mgmt supr, Ray Caro  
 Vp-acct supr, Judy Greene  
 Exec vp-media dir, Allen Banks  
 Vp-sr assoc media dir, Jack Irving  
 Assoc media dir, Ruthanne Greenburg  
 Media supr, Bruce Phillips

## 126.

### HERSHEY products

Hershey Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,242,000        | \$ 3,804,000        |
| Supps         | —                   | 595,000             |
| Newspapers    | 1,467,000           | 1,447,000           |
| Network tv    | 13,900,000          | 13,622,000          |
| Spot tv       | 2,333,000           | 3,955,000           |
| Network radio | —                   | —                   |
| Spot radio    | 664,000             | 408,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$20,372,000</b> | <b>\$23,831,000</b> |

**Classification:** Ingredients/candies (LNA F-115, 211)

#### Marketing/brand management:

Mktg vp-Gary McQuaid  
 Dirs of mktg: Jay Carr (candy bars), Michael Holmes (packaged candy/grocery products)  
 New business dev vp, J. H. Dowd  
 Dir of new prods, A. J. Pingitore  
**Agencies:** DDB, New York  
 Sr vp-mgmt supr, Peter Tate  
 Vp-media plng dir, Conant Sawyer  
 Assoc media plng dir, Jennie Maggio  
**Ogilvy & Mather, N.Y.**  
 Sr vp-mgmt supr, Michael Vaughan  
 Sr vp-assoc media dir, Tony Nacinovich  
 Asst media dirs: Al Orlick, Mark Belton

## 127.

### QUAKER foods

Quaker Oats Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,360,000        | \$ 668,000          |
| Supps         | 55,000              | 61,000              |
| Newspapers    | 249,000             | 442,000             |
| Network tv    | 8,814,000           | 11,731,000          |
| Spot tv       | 5,781,000           | 10,771,000          |
| Network radio | —                   | —                   |
| Spot radio    | 30,000              | 17,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,289,000</b> | <b>\$23,680,000</b> |

**Classifications:** cereals (LNA F-120),  
cookies (LNA F-113)

**Marketing/brand management:**

Vp-mktg (foods), Douglas Mills

Vp-prod mgmt, Jim Kauffman

Media dir, Bill Brown

**Agencies:** BBDO, New York  
(cereals)

Vp mgmt supr, Rick Swanson

Exec vp-dir media & prog, Arnie

Semsky

Sr vp-dir media ping srvc, Mike Drake

Sr vp-dir media buying, Larry Hoffner

Vp-assoc dir ntwk prog, Susan

Auerbach

Assoc media dir, Lee Margulis

Media supr, Michelle Shotts

Media plnr, Don Kennedy

**Berry-Brown Adv., Dallas**

(corn products/new areas)

Acct supr, Robert E. Berry

Acct mgr, Sara Mayben

Media dir, Sharon Speer

**Adcom, Inc., Chicago**

(house agency for cereals, frozen  
pizza, breads)

Vp-dir of media, Joan G. Stark

## 128.

### LYSOL disinfectants

Sterling Drug

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,092,000        | \$ 600,000          |
| Supps         | 170,000             | 215,000             |
| Newspapers    | 496,000             | 232,000             |
| Network tv    | 15,262,000          | 19,742,000          |
| Spot tv       | 1,496,000           | 2,722,000           |
| Network radio | —                   | —                   |
| Spot radio    | 68,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$18,584,000</b> | <b>\$23,511,000</b> |

**Classifications:** disinfectants (LNA  
H-242); cleaners (LNA H-430)

**Marketing/brand management:**

Vp-mktg, Leonard Suskin

**Agency:** SSC&B, New York

Exec vp, George Guimaraes

Exec vp-media & ntwk prog, Lawrence  
Lamattina

Vp-assoc media dir, Janice Clements

Asst media dirs: Pat Fine, Shirley  
Menkes

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## 129.

### AMERICAN DAIRY ASSN.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 902,000          | \$ 1,638,000        |
| Supps         | 181,000             | 69,000              |
| Newspapers    | 765,000             | 912,000             |
| Network tv    | 2,326,000           | 3,687,000           |
| Spot tv       | 10,887,000          | 12,836,000          |
| Network radio | 384,000             | 794,000             |
| Spot radio    | 2,500,000           | 2,917,000           |
| Outdoor       | 379,000             | 499,000             |
| <b>Total</b>  | <b>\$18,324,000</b> | <b>\$23,352,000</b> |

**Classification:** dairy products (LNA  
F-130)

**Marketing/brand management:**

Pres, Barry D. Pfouts

Vp-crtv srvc, Jane Holmes

Vp-mktg srvc, G. B. Simpson

Mgr media ping & srvc, Donna Arcus

**Agency:** D'Arcy-MacManus &

Masius, Chicago

Sr vp-mgmt supr, Benjamin Bishop

Vp-acct grp supr, Joanne Nottke

Sr vp-dir media srvc, Joseph P. Zeller

Assoc media dir, Willard L. Hemsworth

Media supr, Sandra S. Whitelaw

Media plnrs: Donna Schauer, Lynn  
Myers, Rob Carstens

## 130.

### MIDAS auto supplies IC Industries

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 13,000           | \$ 528,000          |
| Supps         | —                   | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | 8,497,000           | 9,133,000           |
| Spot tv       | 6,192,000           | 8,404,000           |
| Network radio | 254,000             | —                   |
| Spot radio    | 3,605,000           | 5,251,000           |
| Outdoor       | 2,000               | 23,000              |
| <b>Total</b>  | <b>\$18,563,000</b> | <b>\$23,339,000</b> |

**Classification:** auto parts &  
accessories (LNA T-154)

**Marketing/brand management:**

Vp mktg, Ralph Linder

Adv/prom dir, Chuck Graziano

**Agency:** Wells, Rich, Greene,  
Chicago

Pres, Larry Singer

Vp-mgmt supr, Steve Keenan

Vp-media dir, Jill Cassorla

Assoc media dir, David Kelly

## 131.

### SONY electronics Sony Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 9,777,000        | \$ 8,414,000        |
| Supps         | 350,000             | 167,000             |
| Newspapers    | 5,685,000           | 5,035,000           |
| Network tv    | 10,636,000          | 7,137,000           |
| Spot tv       | 1,212,000           | 1,565,000           |
| Network radio | 161,000             | 375,000             |
| Spot radio    | 1,862,000           | 595,000             |
| Outdoor       | 14,000              | 31,000              |
| <b>Total</b>  | <b>\$29,697,000</b> | <b>\$23,319,000</b> |

**Classification:** (home electronics)  
(LNA H-310, 320)

**Marketing/brand management:**

Natl adv mgrs: Jeff Brooks (video  
products), Jeff Marks (audio  
products), Rita Cohen (office  
products), Barbara|Ela (micro-  
computers)

**Agencies:** McCann-Erickson, N.Y.  
(Trinitron)

Vp-acct supr, Steve Hurwitz

Exec vp-dir media srvc, Gene DeWitt

Sr vp-media ping dir, Vince Rafti

**Backer & Spielvogel, N.Y.**

(Betamax)

Sr vp-mgmt supr, Randolph Lindel

Vp-acct supr, Jim Riley

Exec vp-dir media srvc, Stephen Leff

Sr vp-media dir, Jay Schoenfeld

Vp-assoc media dir, Alain Zutter

**Waring & La Rosa, N.Y.**

(computers)

Exec vp-acct srvc, John McCrosky

Acct execs: Dale Haas, Helene  
Mechanic

Sr vp-media dir, Martin Narva

**Ammirati & Puris, N.Y.**

(audio products)

Sr vp-acct mgmt, Mary Herrmann

Sr vp-dir media srvc, Arthur

Molesphini, Jr.

## 132.

### L'EGGS

Hanes Corp.

(Consolidated Foods)

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,954,000        | \$ 1,969,000        |
| Supps         | 123,000             | —                   |
| Newspapers    | 563,000             | 193,000             |
| Network tv    | 11,624,000          | 18,478,000          |
| Spot tv       | 334,000             | 542,000             |
| Network radio | —                   | 537,000             |
| Spot radio    | 1,617,000           | 1,157,000           |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,215,000</b> | <b>\$22,876,000</b> |

**Classification:** hosiery (LNA A-160)

**Marketing/brand management:**

Vp-mktg, Walter Pilcher

Dir of adv, Paul F. Wold, Jr.

**Agency:** DFS, New York

Sr vp-mgmt dir, Michael Donahue

Exec vp-media dir, Allen Banks

Sr vp-sr assoc media dir, Ira Weinblatt

Vp-assoc media dir, Walter Tietz

## 133.

### FEDERAL EXPRESS

Federal Express Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,269,000        | \$ 1,717,000        |
| Supps         | 53,000              | 134,000             |
| Newspapers    | 937,000             | 864,000             |
| Network tv    | 14,616,000          | 11,084,000          |
| Spot tv       | 1,678,000           | 8,834,000           |
| Network radio | —                   | —                   |
| Spot radio    | 22,000              | 48,000              |
| Outdoor       | 2,000               | 24,000              |
| <b>Total</b>  | <b>\$18,577,000</b> | <b>\$22,705,000</b> |

**Classification:** air cargo (LNA B-612)

**Marketing/brand management:**

Sr vp-mktg/cust svcs, Thomas R. Oliver

Vp-mktg, Carole A. Presley

Dir corp mktg, Jon A. Hodge

Adv mgr, Nancy Altenburg

**Agency:** Ally & Gargano, N.Y.

Chmn bd, Carl Ally

Sr vp-mgmt supr, Dennis Visich

Assoc media dir, Hal Zwick

## 134.

### STOUFFER'S foods

Nestle Enterprises

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,514,000        | \$ 4,748,000        |
| Supps         | 3,000               | 29,000              |
| Newspapers    | 387,000             | 466,000             |
| Network tv    | 7,586,000           | 9,860,000           |
| Spot tv       | 6,017,000           | 7,512,000           |
| Network radio | —                   | —                   |
| Spot radio    | 182,000             | 22,000              |
| Outdoor       | 52,000              | —                   |
| <b>Total</b>  | <b>\$16,741,000</b> | <b>\$22,637,000</b> |

**Classification:** prepared foods (LNA

F-162, F-126, F-180, F-125)

**Marketing/brand management:**

Vp-mktg, Gerald DeCroce

Mktg mgrs: Richard Annett (Lean

Cuisine), David Alexander

(entrees/side dishes), Paul De Vries

(new ventures), Joseph Gaeto

(pizza)

**Agency:** Creamer, Pittsburgh

Vp and grp supr, Richard Weber

Vp-dir media, Allan Linderman

## 135.

### MCI

MCI Communications

|               | media dollars      |                     |
|---------------|--------------------|---------------------|
|               | 1981               | 1982                |
| Magazines     | —                  | \$ 1,131,000        |
| Supps         | —                  | —                   |
| Newspapers    | —                  | 247,000             |
| Network tv    | —                  | —                   |
| Spot tv       | \$9,937,000        | 21,096,000          |
| Network radio | —                  | —                   |
| Spot radio    | —                  | —                   |
| Outdoor       | —                  | —                   |
| <b>Total</b>  | <b>\$9,937,000</b> | <b>\$22,474,000</b> |

**Classification:** communications (LNA B-140)

**Marketing/brand management:**

Sr vp-sales, Carl Vorder Bruegge

Mktg/adv dir, Timothy Cronin

Adv mgr, David Patten

**Agency:** Ally & Gargano, N.Y.

Sr vp-mgmt supr, Jim Feeney

Sr vp-media dir, Larry Dexheimer

Assoc media dir, Gene Willhoft

## 136.

### UNITED ARTISTS

MGM/UA Entertainment

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 513,000          | \$ 226,000          |
| Supps         | —                   | —                   |
| Newspapers    | 59,000              | —                   |
| Network tv    | 8,925,000           | 8,752,000           |
| Spot tv       | 16,734,000          | 13,093,000          |
| Network radio | —                   | —                   |
| Spot radio    | 99,000              | 67,000              |
| Outdoor       | 8,000               | 16,000              |
| <b>Total</b>  | <b>\$26,338,000</b> | <b>\$22,154,000</b> |

**Classification:** movies (LNA G-310)

**Marketing/brand management:**

Vp-adv, David Rosenfeldt

Dir of media, Terry Steiner

**Agency:** Diener/Hausler/Bates, N.Y.

Vp-acct supr, Barbara Pisapia

Sr vp-media, Norman Trell

## 137.

### BAYER aspirin

Sterling Drug

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,170,000        | \$ 1,337,000        |
| Supps         | 569,000             | 103,000             |
| Newspapers    | 225,000             | 157,000             |
| Network tv    | 16,661,000          | 18,077,000          |
| Spot tv       | 199,000             | 1,549,000           |
| Network radio | 1,910,000           | 820,000             |
| Spot radio    | 109,000             | 45,000              |
| Outdoor       | 7,000               | 8,000               |
| <b>Total</b>  | <b>\$24,650,000</b> | <b>\$22,096,000</b> |

**Classification:** medicines (LNA D-210)

**Marketing/brand management:**

Vp-dir adv, James Alberts

**Agency:** SSC&B, New York

Exec vp, Spencer Plavoukas

Exec vp media & ntwk plng, Lawrence

Lamattina

Vp-assoc media dir, Alan Jurmain

Asst media dir, Maryann Harmon

## 138.

### SAFEWAY stores

Safeway Food

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,927,000        | \$ 1,526,000        |
| Supps         | —                   | —                   |
| Newspapers    | (no data)           | (no data)           |
| Network tv    | 439,000             | 52,000              |
| Spot tv       | 19,931,000          | 19,154,000          |
| Network radio | —                   | —                   |
| Spot radio    | 1,074,000           | 1,236,000           |
| Outdoor       | 48,000              | —                   |
| <b>Total</b>  | <b>\$23,419,000</b> | <b>\$21,968,000</b> |

**Classification:** general promotion

(LNA F-180)

**Marketing/brand management:**

Sr vp-dir mktg, John H. Prinster

Mgr, adv & prom div, Ron Giglio

**Agency:** Ketchum, San Francisco

(Corporate)

Sr vp-grp mgmt supr, Diane Snedaker

Vp-acct supr, Ann Fisher

Sr vp-media dir, Seth Dingley

Vp-assoc media dir, Dee Ann Campbell

Advertising managers determine media

expenditures for respective divisions.

Each division employs agency for

broadcast — 15 different agencies

used throughout U.S.



# 139.

## VICKS

Richardson-Vicks

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | \$ 6,000            |
| Supps         | —                   | —                   |
| Newspapers    | \$ 152,000          | —                   |
| Network tv    | 28,004,000          | 16,996,000          |
| Spot tv       | 4,409,000           | 4,893,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$32,565,000</b> | <b>\$21,895,000</b> |

**Classification:** medicines (LNA D-210)

**Marketing/brand management:**

(Health Care Division)

Mktg dirs: Bill O'Neil (cough drops),

Dane Battiatto (VapoRub, cold preparations)

Media dir, Irwin Fleischer

**Agencies: Benton & Bowles, N.Y.**

Sr vp-acct dir, Richard Hopple

Sr vp-mgmt supr, Alan Goltz

Vp-acct supr: Pat Doody, Bill Perkins

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Jeri Dack

**Young & Rubicam, N.Y.**

Sr vp-mgmt supr, Robert Gleckler

Vp-acct supr: John Swan, Bonnie Goren

Acct execs: William Mears, Carol Campbell

Vp-media grp supr, Dave Fulton

Media supr, Patrice McAuliffe

# 140.

## CRISCO shortening

Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,925,000        | \$ 4,623,000        |
| Supps         | —                   | —                   |
| Newspapers    | 123,000             | 71,000              |
| Network tv    | 11,035,000          | 11,935,000          |
| Spot tv       | 5,792,000           | 5,163,000           |
| Network radio | —                   | —                   |
| Spot radio    | 10,000              | 58,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$20,885,000</b> | <b>\$21,850,000</b> |

**Classification:** cooking products (LNA F-110)

**Marketing/brand management:**

Div mgr, B. L. Bethell

Adv mgr, J. T. Smith

Assoc ad mgr, Mitch Wienick

**The media group includes:**

Dir media, Russ Condit

Media supr: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie Paladin

**Agency: Compton, New York**

(Crisco Solid)

Mgmt supr, Gene Bartley

Acct mgr, Diane Devine

Asst acct mgr, Paul Hesser

Assoc media dir, Carol Karasick

Assoc media mgr, Barbara Borg

Media plnr, Louise Sinnott (Crisco Oil)

Mgmt supr, Don Press

Acct mgr, Jim Keilley

Asst acct mgr, Gabrielle Shanin

Assoc media dir, Bob Pape

Assoc media mgr, Alison Cross

Media plnr, Steve Blair

# 141.

## ACTIVISION

Activision, Inc.

|               | media dollars      |                     |
|---------------|--------------------|---------------------|
|               | 1981               | 1982                |
| Magazines     | \$ 501,000         | \$ 1,270,000        |
| Supps         | —                  | —                   |
| Newspapers    | —                  | 254,000             |
| Network tv    | 670,000            | 11,314,000          |
| Spot tv       | 693,000            | 8,112,000           |
| Network radio | —                  | 721,000             |
| Spot radio    | —                  | —                   |
| Outdoor       | —                  | —                   |
| <b>Total</b>  | <b>\$1,664,000</b> | <b>\$21,671,000</b> |

**Classification:** Home electronics (LNA H-320)

**Marketing/brand management:**

Vp-mktg, Frank Mainero

Dir prod mgmt, Mike Piacentini

Dir prod mktg, Karen Janowski

Adv dir, Chip August

**Agencies: J. Walter Thompson, San Francisco**

Sr vp-acct dir, Jeff Smith

Acct supr: Bob Harris, Dana Archer, Bob Pringle

Media supr, Debbie Outland

**Tatham-Laird & Kudner, Chicago**

Sr prtnr, John Wells

Acct supr, Bob Ball

Acct exec, Laurie Warshaw

Media dir, Leonard Materna

Assoc media dir, Joanne Franck

Media supr, Catherine Gerber

# 142.

## PARAMOUNT pictures

Gulf & western

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 667,000          | \$ 1,030,000        |
| Supps         | 114,000             | 664,000             |
| Newspapers    | 838,000             | 750,000             |
| Network tv    | 523,000             | 1,512,000           |
| Spot tv       | 16,788,000          | 16,780,000          |
| Network radio | —                   | —                   |
| Spot radio    | 442,000             | 579,000             |
| Outdoor       | 189,000             | 243,000             |
| <b>Total</b>  | <b>\$19,561,000</b> | <b>\$21,558,000</b> |

**Classification:** movies (LNA G-310)

**Marketing/brand management:**

Sr vp-worldwide-mktg, Gordon Weaver

Vp-mktg, Steve Rose

Vp-natl adv, Tom Campanella

Vp-pub/prom, Kathy Jones

Exec dir natl adv, Angel Lopez

Dir natl adv, Stanley Kirchheimer

Vp-creative adv, Shelley Hochron

**Agency: Diener/Hauser/Bates, N.Y.**

Vp-acct exec, Ernie Shapiro

Acct exec, Gilda Hicks

Sr vp-media, Norman Trell

Media dirs: Cheryl Lodinger (bdcst.), Stuart Jacob (print)

# 143.

## ALLSTATE insurance

Sears, Roebuck and Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,313,000        | \$ 1,783,000        |
| Supps         | 12,000              | —                   |
| Newspapers    | 303,000             | 252,000             |
| Network tv    | 13,657,000          | 13,467,000          |
| Spot tv       | 2,244,000           | 3,717,000           |
| Network radio | —                   | 2,000               |
| Spot radio    | 3,730,000           | 2,270,000           |
| Outdoor       | 21,000              | —                   |
| <b>Total</b>  | <b>\$21,280,000</b> | <b>\$21,491,000</b> |

**Classification:** fire, casualty, life and other insurance (B-220)

**Marketing/brand management:**

Asst vp-mktg, John W. Flieder

Sr adv mgr, R. E. Gorman, Jr.

Mktg dir, Terre A. Tuzzolino

**Agency: Leo Burnett, Chicago**

Acct dir, Ron Sims

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Don Amos

# 144. SHELL Shell Oil

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,838,000        | \$ 3,636,000        |
| Supps         | 5,000               | —                   |
| Newspapers    | 1,147,000           | 173,000             |
| Network tv    | 6,145,000           | 9,511,000           |
| Spot tv       | 7,748,000           | 6,638,000           |
| Network radio | 148,000             | —                   |
| Spot radio    | 412,000             | 1,388,000           |
| Outdoor       | 23,000              | 38,000              |
| <b>Total</b>  | <b>\$21,466,000</b> | <b>\$21,384,000</b> |

**Classifications:** general promotion (LNA T-230); pest controls (LNA T-640); gasoline, oil (LNA T-210)

## Marketing/brand management:

Vp-pub affairs, P. J. Carroll  
Mgr comm, John Quinn  
Mgr corp adv, Joseph C. Jones  
Mgr oil prod adv, John H. Haines

**Agency: Ogilvy & Mather, Houston**  
Dir of media oper, Ron Morgan  
Vp-assoc media dir, Rich Simms  
Media plnrs: Grace Paris, Julia Eaves  
Buying supr, C. J. Royal

# 145. MILTON BRADLEY games Milton Bradley Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | \$ 9,000            |
| Supps         | —                   | —                   |
| Newspapers    | \$ 39,000           | —                   |
| Network tv    | 8,366,000           | 7,023,000           |
| Spot tv       | 13,904,000          | 14,289,000          |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$22,309,000</b> | <b>\$21,321,000</b> |

**Classification:** games, toys (LNA G-450)

**Marketing/brand management:**  
Sr vp-mktg, George Ditomassi, Jr.  
Dir prod mgmt, James J. Walsh  
Adv mgr, George Merritt

**Agency: MB Communications**  
(house agency)  
Exec vp-mktg svc, John Payson  
Vp-media svc, Edward Radding

# 146. L'OREAL Cosmair Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,886,000        | \$ 3,063,000        |
| Supps         | —                   | —                   |
| Newspapers    | 12,000              | —                   |
| Network tv    | 9,106,000           | 17,430,000          |
| Spot tv       | 798,000             | 689,000             |
| Network radio | —                   | —                   |
| Spot radio    | 145,000             | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$11,947,000</b> | <b>\$21,182,000</b> |

**Classifications:** cosmetics (LNA D-110); hair products (LNA D-140)

## Marketing/brand management:

Sr vp-gen mgr (L'Oreal retail), Jim Nixon  
Vp-cosmetics/hair products, John Wendt  
Dir prod dev, Beatrice Dautresme  
**Agency: McCann-Erickson, N.Y.**  
Sr vp-mgmt rep, Fred Rhines  
Media grp head, Julie Tinkwater

# 147. KOOL-AID soft drink General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 975,000          | \$ 1,296,000        |
| Supps         | 332,000             | —                   |
| Newspapers    | 323,000             | 21,000              |
| Network tv    | 17,185,000          | 15,394,000          |
| Spot tv       | 6,078,000           | 4,197,000           |
| Network radio | —                   | —                   |
| Spot radio    | 58,000              | 3,000               |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$24,951,000</b> | <b>\$20,911,000</b> |

**Classification:** soft drinks (LNA F-220)

## Marketing/brand management:

Vp-gen mgr, Bob Sansone  
Mktg mgr, J. S. Cunningham  
Cat mgr, Greg Murphy  
**The media group includes:**  
Dir media svcs, David K. Braun  
Assoc media dir, P. E. Kane  
Mgr media, Robert Gillespie  
Media coor, L. F. Meyer  
Grp mgr-natl plng, D. J. Miceli  
Asst mgrs-plng: Brenda Jansen (network), Gary Gruneberg (print)  
Mgr media res, James Spaeth  
Media asst, Boby Asano  
**Agency: Grey, New York**  
Exec vp-acct mgmt, Hunter Yager  
Sr vp-dir media & prog, Alec Gerster  
Vp-assoc media dir, Jack Jadick

# 148. TV GUIDE Triangle

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 443,000          | \$ 40,000           |
| Supps         | —                   | 7,000               |
| Newspapers    | 677,000             | 1,409,000           |
| Network tv    | —                   | —                   |
| Spot tv       | 14,699,000          | 18,779,000          |
| Network radio | 365,000             | 114,000             |
| Spot radio    | 18,000              | 553,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,202,000</b> | <b>\$20,902,000</b> |

**Classification:** magazines (LNA B-420)

## Marketing/brand management:

Pub, Eric Larson  
Adv dir, Tom McDonough  
Adv prom mgr, Arthur Greener  
Con prom mgr, Fred Jervis  
**Agency: N W Ayer, N.Y.**  
Exec vp, Thomas G. Maxey  
Vp-acct supr, George Malcomson  
Vp-grp media dir, David Lehmkuhl  
Assoc media dir, Jim Mitchell  
Media supr, Steve Bogacki

# 149. BMW cars and cycles Bavarian Motor Works

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,869,000        | \$ 6,203,000        |
| Supps         | —                   | —                   |
| Newspapers    | 2,737,000           | 4,673,000           |
| Network tv    | —                   | 1,838,000           |
| Spot tv       | 3,700,000           | 6,973,000           |
| Network radio | —                   | —                   |
| Spot radio    | 294,000             | 1,047,000           |
| Outdoor       | 29,000              | 42,000              |
| <b>Total</b>  | <b>\$11,629,000</b> | <b>\$20,776,000</b> |

**Classifications:** passenger cars (LNA T-112; cycles (LNA G-440)

## Marketing/brand management:

Vp-mktg, Hans A. Bartels  
Corp adv mgr, Brian Richardson  
**Agency: Ammirati, & Puris, N.Y.**  
Exec vp-mgmt supr, Ted Hazard  
Sr vp-mgmt supr, Robert Burden  
Acct supr, Chas Conklin  
Sr vp-dir media svcs, Arthur Molesphini, Jr.  
Vp-assoc media dir, Tom De Francisco  
Media supr, Paul Brooks

# 150. DUNCAN HINES mixes Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,742,000        | \$ 3,785,000        |
| Supps         | —                   | —                   |
| Newspapers    | 72,000              | 33,000              |
| Network tv    | 14,561,000          | 14,350,000          |
| Spot tv       | 2,273,000           | 2,521,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$20,648,000</b> | <b>\$20,689,000</b> |

**Classification:** mixes (LNA F-113)  
**Marketing/brand management:**  
 Div mgr, B. L. Bethell  
 Adv mgr, J. T. Smith  
 Assoc adv mgr, Mitch Wienick  
**The media group includes:**  
 Dir media, Russ Condit  
 Media suprs: James P. Connell, R. H. Jones, John Taylor, Lynne C. Veil, Marion Grant, Mary Price  
 Assoc media mgrs: J. R. Maxwell, Gordon Milne, Gordon Young, E. R. Plowden  
 Network coor, D. J. Noble  
 Media assts: Barb Weinstein, Leslie Paladin  
**Agency: Compton, N.Y.**  
 Mgmt supr, Tom Lom  
 Acct mgr, Jonathan Runge  
 Acct asst, Jeff Pool  
 Assoc media dir, Nancy Fastenberg  
 Media mgr, Mary Ann Power  
 Media plnr, Emily Ross

# 151. DURACELL batteries Dart & Kraft

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | —                   | —                   |
| Newspapers    | —                   | \$ 28,000           |
| Network tv    | \$14,736,000        | 18,938,000          |
| Spot tv       | 1,054,000           | 1,080,000           |
| Network radio | 257,000             | 507,000             |
| Spot radio    | 46,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,093,000</b> | <b>\$20,553,000</b> |

**Classification:** household batteries (LNA H-220)  
**Marketing/brand management:**  
 Vp-mktg, W. F. Saint  
 Prod grp mgr, Kevin Kelly  
 Prod mgr, Mark Lucas

**Agency: DFS, New York**  
 Exec vp-mgmt supr, Jean Plumez  
 Sr vp-mgmt supr, Thomas Burke  
 Acct supr, Phil Juliano  
 Exec vp-media dir, Allen Banks  
 Vp-sr assoc media dir, Richard Weigand  
 Assoc media dir, Estrea Dworkin

# 152. LUVS diapers Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,508,000        | \$ 1,704,000        |
| Supps         | —                   | —                   |
| Newspapers    | 140,000             | 270,000             |
| Network tv    | 13,135,000          | 14,175,000          |
| Spot tv       | 3,194,000           | 4,348,000           |
| Network radio | —                   | —                   |
| Spot radio    | 5,000               | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$17,982,000</b> | <b>\$20,497,000</b> |

**Classification:** underwear (LNA A-121)  
**Marketing/brand management:**  
 Vp, J. M. Edwards  
 Adv mgr, W. J. Wallace  
**The media group includes:**  
 Dir media, Russ Condit  
 Media suprs: James P. Connell, R. H. Jones, John Taylor, Lynne C. Veil, Marion Grant, Mary Price  
 Assoc media mgrs: J. R. Maxwell, Gordon Milne, Gordon Young, E. R. Plowden  
 Network coor, D. J. Noble  
**Agency: DFS, New York**  
 Sr vp-mgmt dir, Jean Plumez  
 Sr vp-mgmt supr, Richard Pounder  
 Vp-acct supr, Douglas Harting  
 Exec vp-media dir, Allen Banks

# 153. CHEERIOS cereal General Mills

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 19,000           | \$ 479,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | 78,000              |
| Network tv    | 7,569,000           | 12,018,000          |
| Spot tv       | 7,017,000           | 7,846,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 9,000               | —                   |
| <b>Total</b>  | <b>\$14,614,000</b> | <b>\$20,421,000</b> |

**Classification:** cereals (LNA F-122)  
**Marketing/brand management:**  
 Prod mgr, Chris Lowe  
**Agency: DFS, New York**  
 Exec vp-mgmt supr, E. F. Bonn  
 Acct exec, Michael Burns  
 Exec vp-media dir, Allen Banks  
 Vp-sr assoc media dir, Jack Irving  
 Assoc media dir, Ruthanne Greenberg

# 154. TASTER'S CHOICE Nestle Enterprises

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 950,000          | \$ 31,000           |
| Supps         | 18,000              | —                   |
| Newspapers    | 563,000             | 1,113,000           |
| Network tv    | 11,919,000          | 17,575,000          |
| Spot tv       | 3,733,000           | 1,670,000           |
| Network radio | —                   | —                   |
| Spot radio    | 84,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$17,267,000</b> | <b>\$20,392,000</b> |

**Classification:** coffee (LNA F-171)  
**Marketing/brand management:**  
 Dir adv, Madi Ferencz  
 Prod mgr, J. R. Hall  
 Adv mgr (media), Robert Bishopp  
**Agency: Leo Burnett, Chicago**  
 Sr vp-client svcs dir, Bill Smith  
 Sr vp-media svcs dir, Kenneth Lane  
 Vp-media, Willard Hadlock  
 Media dir, Dick Hobbs  
 Media suprs: Nancy Fochtman, Sue Lockhart, Carl Spaulding

# 155. PARKER BROS. games General Mills

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 76,000           | \$ 797,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | 80,000              |
| Network tv    | 8,329,000           | 7,341,000           |
| Spot tv       | 4,787,000           | 11,729,000          |
| Network radio | —                   | 436,000             |
| Spot radio    | 116,000             | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$13,338,000</b> | <b>\$20,383,000</b> |

**Classifications:** games (LNA G-450); home electronics (LNA H-320)  
**Marketing/brand management:**  
 Vp-mktg, Richard Dalessio  
**Agency: Humphrey Browning MacDougall, Boston**  
 Vp-assoc media dir, Rosemary Rohmer



Media buyers: Ronald LeFrancois,  
Ruthann Perry, Mona Yarnell, Karen  
Besser

## 156.

### VISA

VISA USA, Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,619,000        | \$ 4,846,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 8,714,000           | 14,530,000          |
| Spot tv       | 188,000             | 282,000             |
| Network radio | 1,512,000           | 607,000             |
| Spot radio    | —                   | —                   |
| Outdoor       | 5,000               | 53,000              |
| <b>Total</b>  | <b>\$13,038,000</b> | <b>\$20,318,000</b> |

**Classification:** credit cards (LNA  
B-155)

#### Marketing/brand management:

Vp-mktg, Philip Haymen

Media admin, David Roberts

**Agency:** Visa Communications  
(house agency)

## 157.

### WHIRLPOOL appliances

Whirlpool Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,776,000        | \$ 4,477,000        |
| Supps         | 166,000             | —                   |
| Newspapers    | 1,568,000           | 1,408,000           |
| Network tv    | 8,427,000           | 13,539,000          |
| Spot tv       | 1,358,000           | 855,000             |
| Network radio | 41,000              | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 1,000               | 7,000               |
| <b>Total</b>  | <b>\$15,337,000</b> | <b>\$20,286,000</b> |

**Classification:** major appliances (LNA  
H-210)

#### Marketing/brand management:

Dir-mktg comm, David Allen

Natl adv mgr, Jim Clever

**Agencies:** D'Arcy-MacManus &  
Masius, Bloomfield Hills, MI

Pres, James T. Doyle

Exec vp-mgmt supr, Richard P. Monley

Vp-acct supr, Ken Brandt

Vp-dir mktg & res, Charles Stannard

Sr vp-media dir, Robert Spaulding

Vp-assoc media dir, Ed Coosia

**The Netedu Co., Benton Harbor, MI**

Pres, Charles F. Worthington

Acct execs: John Hoffman, Carl Coon,

Bill Sherrington, Rich Stone, Mike  
Kosinski

## 158.

### LONG JOHN SILVER restaurants

Jerrico, Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | —                   | —                   |
| Spot tv       | \$20,162,000        | \$20,159,000        |
| Network radio | —                   | —                   |
| Spot radio    | —                   | 2,000               |
| Outdoor       | 4,000               | 28,000              |
| <b>Total</b>  | <b>\$20,166,000</b> | <b>\$20,189,000</b> |

**Classification:** restaurants (LNA  
G-330)

#### Marketing/brand management:

Sr vp-mktg, Walter Stumpe

**Agency:** Abbott Advtg.

(house agency)

Pres, Walter W. Stumpe

Vp-media srvc/admin, Jean Babington

Vp-acct supr, Bill Meehan

Media dirs: Larry Brewer, Cheri  
Gardiner

## 159.

### SCHLITZ beer

Stroh Brewery

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 60,000           | \$ 244,000          |
| Supps         | —                   | —                   |
| Newspapers    | 178,000             | 162,000             |
| Network tv    | 16,361,000          | 3,067,000           |
| Spot tv       | 4,429,000           | 6,624,000           |
| Network radio | 64,000              | 20,000              |
| Spot radio    | 7,057,000           | 9,234,000           |
| Outdoor       | 628,000             | 736,000             |
| <b>Total</b>  | <b>\$29,402,000</b> | <b>\$20,087,000</b> |

**Classification:** beer (LNA F-310)

#### Marketing/brand management:

Grp vp-mktg, John H. Bissell

Vp-prod mgmt, Hunter Hastings

Dir mktg srvc, John Hellweg

Dir of media srvc, Robert E. Payne

Brand dir, Mike Jaeger

**Agencies:** MCA Advertising, N.Y.

(Schlitz & Schlitz Light)

Exec vp-acct mgmt, George Hoefer

Vp-acct mgmt, Chuck Curry

Sr vp-media dir, Dawn Sibley

Assoc media dir, Alex Chik

**Benton & Bowles, N.Y.**

(Schlitz Malt Liquor)

Sr vp-mgmt supr, Barry Webster

Vp-acct supr, Mark Hints

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Frank Massar

Asst media dir, Ron Campbell

## 160.

### PAMPERS diapers

Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,380,000        | \$ 1,387,000        |
| Supps         | —                   | 44,000              |
| Newspapers    | 66,000              | 137,000             |
| Network tv    | 16,071,000          | 14,738,000          |
| Spot tv       | 2,314,000           | 3,755,000           |
| Network radio | —                   | —                   |
| Spot radio    | 3,000               | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$19,834,000</b> | <b>\$20,061,000</b> |

**Classification:** underwear (LNA  
A-121)

#### Marketing/brand management:

Vp, J. M. Edwards

Adv mgr, W. J. Wallace

**The media group includes:**

Dir media, Russ Condit

Media srps: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.  
Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie  
Paladin

**Agency:** Benton & Bowles, N.Y.

Sr vp-acct dir, Tom Carey

Sr vp-mgmt supr, John Spencer

Acct supr, Diane Jones

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Steve Farella

## 161.

### TAB soft drinks

Coca-Cola Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 754,000          | \$ 1,255,000        |
| Supps         | —                   | —                   |
| Newspapers    | 20,000              | 39,000              |
| Network tv    | 7,443,000           | 10,152,000          |
| Spot tv       | 8,054,000           | 7,891,000           |
| Network radio | —                   | —                   |
| Spot radio    | 311,000             | 331,000             |
| Outdoor       | 109,000             | 98,000              |
| <b>Total</b>  | <b>\$16,691,000</b> | <b>\$19,766,000</b> |

**Classification:** soft drinks (LNA F-220)

#### Marketing/brand management:

Vp-mktg oper, Allen A. McCusker

Corp media dir-worldwide, William H.  
Lynn

Dir of media, Coca-Cola U.S.A.,

Charlotte Weissenberger

Brand mgr, Patrick Meyer

**Agencies:** McCann-Erickson,  
N.Y./Atlanta

Exec vp-mgmt rep, Ron Sugarman  
(Atlanta)

Vp mgmt supr, C. Patrick Garner

Acct exec, Jay Heisler

Exec vp-dir media srvc, Gene DeWitt

Sr vp-media plng dir, Ira Carlin

Media grp head, Kevin Mannion

**Castor Spanish Intl, N.Y.**

(Spanish markets — corporate/product)

Pres, Castor Fernandez

Exec vp-acct supr, Arturo Andrade

Media dir, Jack Aquirre

## 162.

### MERCEDES-BENZ autos/ trucks

Daimler-Benz

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,563,000        | \$ 5,456,000        |
| Supps         | 7,000               | —                   |
| Newspapers    | 2,149,000           | 3,784,000           |
| Network tv    | 6,021,000           | 8,544,000           |
| Spot tv       | 1,210,000           | 1,464,000           |
| Network radio | —                   | —                   |
| Spot radio    | 60,000              | 447,000             |
| Outdoor       | 31,000              | 23,000              |
| <b>Total</b>  | <b>\$13,041,000</b> | <b>\$19,718,000</b> |

**Classifications:** passenger cars (LNA  
T-110); trucks (LNA T-120)

#### Marketing/brand management:

Gen mgr-mktg comm dept, Robert  
Owens

Natl adv coor, Donna Luke

**Agency: McCaffrey & McCall, N.Y.**

Sr vp-acct mgmt supr, Bill Vieser

Sr vp-media dir, Harris Lefkon

## 163.

### DE BEERS diamonds

De Beers Con. Mines

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$11,270,000        | \$ 9,676,000        |
| Supps         | 73,000              | 45,000              |
| Newspapers    | —                   | —                   |
| Network tv    | 3,866,000           | 8,402,000           |
| Spot tv       | 27,000              | 1,501,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$15,236,000</b> | <b>\$19,624,000</b> |

**Classification:** jewelry (LNA G-211)

**Agency: N W Ayer, N.Y.**

Sr vp-exec acct dir, Ruth Salvouris

Sr vp-mgmt supr, Harkness Cram

Vp-grp media dir, David Lehmkuhl

## 164.

### AIM toothpaste Lever Bros.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 572,000          | \$ 1,491,000        |
| Supps         | 96,000              | 203,000             |
| Newspapers    | 65,000              | 263,000             |
| Network tv    | 15,500,000          | 14,836,000          |
| Spot tv       | 2,971,000           | 2,453,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$19,204,000</b> | <b>\$19,246,000</b> |

**Classifications:** toothpaste (LNA  
D-12:1)

#### Marketing/brand management:

Mktg dir, Fritz Hoefer

Media dir, Richard Butler

**Ogilvy & Mather, N.Y.**

Sr vp-grp dir, Cliff Angers

Sr vp-mgmt supr, Jack Reed

Acct supr, Kathleen Foley

Sr vp-assoc media dir, Wilma Epstein

Asst media dir, Barbara Kupersmith

## 165.

### LEVI'S clothing Levi Strauss

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,091,000        | \$ 3,341,000        |
| Supps         | 234,000             | 133,000             |
| Newspapers    | 967,000             | 603,000             |
| Network tv    | 10,437,000          | 5,158,000           |
| Spot tv       | 5,245,000           | 6,947,000           |
| Network radio | 1,381,000           | 839,000             |
| Spot radio    | 2,228,000           | 1,666,000           |
| Outdoor       | 15,000              | 504,000             |
| <b>Total</b>  | <b>\$22,598,000</b> | <b>\$19,191,000</b> |

**Classification:** sportswear (LNA  
A-115)

#### Marketing/brand management:

Marketing Council: Jack Detlefs, Robert  
Grohman, Robert Haas, David Kaled,  
Peter Thigpen, Jim McDermott, John  
Ankeny, Tom Tusher

Dir con mktg, John Ankeny

Adv mgr (women's wear), Nancy

McCready

Dirs consumer mktg: Stephen

Goldstein (menswear), Linda Aletto

(youthwear), JoAnn Flath

(jeanswear), John Ankeny (LS USA)

**Agencies: FCB/Honig, San  
Francisco**

Sr vp-grp mgmt supr, Denny Wilkinson

Vp-mgmt supr, Barbara Pauly

Vp-mgmt supr, David Schaefer

Sr vp-media dir, Bill Kuffel

Vp-assoc media dir, Art Neumann

Media supr, Linda Sommers

Media plnrs: Marcia Andresen, Wes  
Mitchell

Asst media plnrs: Susan Garber, Greg  
Williams

**McCann-Erickson, San Francisco**

Sr vp-mgmt supr, Stuart Davis

Sr vp-media dir, Donald O. Gabbert

Assoc media dir, Susan Zanotti

**Ketchum, San Francisco**

Sr vp-media dir, Seth Dingley

Vp-assoc media dir, Dee Ann Campbell

Sr vp-grp mgmt supr, Diane Snedaker

## 166.

### AMERICAN cars American Motors

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,699,000        | \$ 4,148,000        |
| Supps         | —                   | —                   |
| Newspapers    | 3,472,000           | 2,313,000           |
| Network tv    | 5,233,000           | 5,586,000           |
| Spot tv       | 14,921,000          | 6,864,000           |
| Network radio | —                   | —                   |
| Spot radio    | 236,000             | 147,000             |
| Outdoor       | 27,000              | 80,000              |
| <b>Total</b>  | <b>\$29,588,000</b> | <b>\$19,138,000</b> |

**Classification:** cars (LNA T-110)

#### Marketing/brand management:

Vp-mktg grp, Joseph E. Cappy

Gen mgr mktg, David J. Van Peursem

Dir 4WD mktg, Robert F. Donovan

Dir 2WD mktg, Howard I. Mosher

Mgr 4WD adv, James Jandasek

Mgr mkt dev, Eugene L. Richmond

Mgr media & bdgt ctrl, Raymond D.

Dreyfus

**Agencies: Grey, New York**

Exec vp-acct mgmt, Louis G. Maloof

Sr vp-gen mgr, Bruce McRitchie

Sr vp-dir media & prog, Alec Gerster

**Compton, Detroit**

(four-wheel drive products)

Exec vp-mgmt dir, Richard Rasor

Sr vp-mgmt supr, Bill Williams

Sr vp-media dir, Stephen R. Fajen

(N.Y.)

Media dir, Mike Wang

Assoc media mgr, Tom Johnson

**Four-year trend  
totals start on  
page 56.**

167.

AVIS

Norton Simon Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 322,000          | \$ 1,991,000        |
| Supps         | —                   | —                   |
| Newspapers    | 3,609,000           | 2,245,000           |
| Network tv    | 4,194,000           | 9,804,000           |
| Spot tv       | 2,413,000           | 2,483,000           |
| Network radio | 584,000             | 478,000             |
| Spot radio    | 2,386,000           | 1,979,000           |
| Outdoor       | 35,000              | 31,000              |
| <b>Total</b>  | <b>\$13,543,000</b> | <b>\$19,011,000</b> |

**Classifications:** car rental (LNA T-414); car dealers (LNA T-113)

**Marketing/brand management:**

Sr vp-mktg, John B. Carles

Vps-mktg: Todd Middleton (U.S. Rent A Car div.), Larry Mazur (car leasing div.)

**Agency:** McCaffrey & McCall, N.Y.

Sr vp-acct mgmt, Samuel P. Fertig

Sr vp-media dir, Harris Lefkon

168.

TRUE cigarettes

Lorillard Div., Loews

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,267,000        | \$ 7,431,000        |
| Supps         | 807,000             | 571,000             |
| Newspapers    | 5,409,000           | 7,655,000           |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 4,299,000           | 3,179,000           |
| <b>Total</b>  | <b>\$15,782,000</b> | <b>\$18,836,000</b> |

**Classification:** tobacco (LNA G-110)

**Marketing/brand management:**

Vp-adv & brand mgmt, T. H. Mau

Grp brand dir, M. H. Burke

Brand mgr, A. Pasheluk

Media dir, Bill Sands

**Agency:** DFS, New York

Exec vp-mgmt dir, Thomas Bohan

Sr vp-mgmt supr, Donald Bigda

Acct supr, Virginia Reilly

Exec vp-media dir, Allen Banks

Sr vp-sr assoc media dir, Louis

Capozzoli

Vp-assoc media dir, Nora Lapham

169.

TEXAS INSTRUMENTS

Texas Instruments

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 804,000          | \$ 2,197,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,094,000           | 3,260,000           |
| Network tv    | 2,458,000           | —                   |
| Spot tv       | 6,406,000           | 13,283,000          |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | 5,000               |
| <b>Total</b>  | <b>\$10,762,000</b> | <b>\$18,745,000</b> |

**Classifications:** computers, office machines (LNA B-310); games (LNA G-450)

**Marketing/brand management:**

Exec vp-mktg, Stewart Carrell

**Agency:** McCann-Erickson, Houston

Vp-acct dirs: Cormac Ryan (home

computers), Lanny Houillon (DSG)

Vp-media dept, Jim Shelby

Asst media plnrs: Jan Manicom (consumer prods), Pat Dörner (pocket calculators), Julie Vincze (home computers), Wendy Kaufman (DSG)

170.

BRIM coffee

General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 161,000          | \$ 384,000          |
| Supps         | 257,000             | 228,000             |
| Newspapers    | 379,000             | 97,000              |
| Network tv    | 9,768,000           | 13,733,000          |
| Spot tv       | 4,540,000           | 4,071,000           |
| Network radio | —                   | —                   |
| Spot radio    | 151,000             | 225,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$15,256,000</b> | <b>\$18,738,000</b> |

**Classification:** coffee (LNA F-171)

**Marketing/brand management:**

Vp-gen mgr, Steve Morris

Cat mgr, Charles Phillips

**The media group includes:**

Dir media srvc, David K. Braun

Assoc media dir, P. E. Kane

Mgr media, Robert Gillespie

Media coor, L. F. Meyer

Grp mgr-natl plng, D. J. Miceli

Asst mgrs-plng: Brenda Jansen

(network), Gary Gruneberg (print)

Mgr media res, James Spaeth

Media asst, Bobby Asano

**Agency:** Benton & Bowles, N.Y.

Sr vp-mgmt supr, Barry Webster

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Brian Hughes

171.

PHILLIPS gas & oil  
Phillips Petroleum Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,677,000        | \$ 1,761,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 8,780,000           | 9,731,000           |
| Spot tv       | 2,096,000           | 986,000             |
| Network radio | 5,155,000           | 4,679,000           |
| Spot radio    | 1,875,000           | 1,560,000           |
| Outdoor       | 8,000               | 14,000              |
| <b>Total</b>  | <b>\$20,591,000</b> | <b>\$18,731,000</b> |

**Classification:** gasoline, oil (LNA T-210)

**Marketing/brand management:**

Media dir, Jim Daniels

Adv mgr, D. J. Pasek

**Agency:** Tracy-Locke/BBDO, Dallas

Sr vp-mgmt supr, Tom Morris

Acct supr, Ed Westbury

Vp-media dir, Claude Caylor

Assoc media dir, Jouette Travis

Media supr, Mary Bresnahan

Dir ntwk tv, Judy Miller

172.

TOPOL tooth polish  
Jeffrey Martin Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 44,000           | —                   |
| Supps         | —                   | —                   |
| Newspapers    | 49,000              | —                   |
| Network tv    | 6,964,000           | \$ 4,553,000        |
| Spot tv       | 4,068,000           | 3,361,000           |
| Network radio | 3,406,000           | 10,620,000          |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$14,531,000</b> | <b>\$18,534,000</b> |

**Classification:** dental supplies (LNA D-121)

**Marketing/brand management:**

Pres, Martin Himmel

Vp-mktg & adv, Robert Varian

Mktg dir, Patrick Dwyer

**Agencies:** Dunn & Jeffrey, Union, N.J.

(house agency)

Media dir, Richard Feldman

**Mingo-Jones, N.Y.**

(ethnic markets-creative)

Acct supr, Tillman DeGravenreid



173.

**ALKA-SELTZER**

(Miles Labs) A. G. Bayer

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,410,000        | \$ 2,264,000        |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 15,416,000          | 13,066,000          |
| Spot tv       | 2,858,000           | 3,145,000           |
| Network radio | 445,000             | —                   |
| Spot radio    | 51,000              | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$21,180,000</b> | <b>\$18,475,000</b> |

**Classification:** medicines (LNA D-210)**Marketing/brand management:**

Vp-mktg-U.S., Stephen M. Reim

Vp-mktg srvc, Mitchell Streicker

**Agency:** Wells, Rich, Greene, N.Y.

Sr vp-media dir, Robert Geis

Vp-plng srvc dir, Steven Ziglar

Vp-media grp head, Joan Shelt

Assoc media grp head, Doug Spak

Sr vp-acct grp head, Walter Holden

174.

**FLORIDA CITRUS**

State of Florida

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 834,000          | \$ 358,000          |
| Supps         | —                   | —                   |
| Newspapers    | 445,000             | 740,000             |
| Network tv    | 13,759,000          | 17,081,000          |
| Spot tv       | 2,312,000           | 115,000             |
| Network radio | —                   | —                   |
| Spot radio    | 6,000               | 181,000             |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$17,356,000</b> | <b>\$18,475,000</b> |

**Classification:** citrus products (LNA F-172-9)**Marketing/brand management:**

Mktg dir, Douglas Hoffer

Adv/prom dirs: Harry R. Rixman, Jr.

(grapefruit), William P. Gordon

(oranges)

Mkt res, George de Jager

**Agency:** DFS, New York

Sr vp-mgmt supr, Robert K. Egan

Vp-acct suprs: Jack Mascola

(grapefruit), Donn Dolan (oranges)

Exec vp-media dir, Allen Banks

Vp-sr assoc media dir, Richard

Weigand

Assoc media dir, Gay Kassan

175.

**GLAD bags**

Union Carbide

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | —                   |
| Supps         | —                   | —                   |
| Newspapers    | \$ 104,000          | \$ 503,000          |
| Network tv    | 14,908,000          | 15,854,000          |
| Spot tv       | 863,000             | 1,796,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$15,875,000</b> | <b>\$18,153,000</b> |

**Classification:** household accessories (LNA H-130)**Marketing/brand management:**

Dir adv, Warren J. McDermott

Mgr home prods, Joseph Panicello

**Agency:** Leo Burnett, Chicago

Acct dir, Bill Haljun

Sr vp-media srvc dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Lincoln Bomba

176.

**BIRDS EYE foods**

General Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,123,000        | \$ 21,000           |
| Supps         | 5,000               | —                   |
| Newspapers    | 431,000             | 417,000             |
| Network tv    | 16,982,000          | 12,345,000          |
| Spot tv       | 5,692,000           | 5,062,000           |
| Network radio | —                   | —                   |
| Spot radio    | 4,000               | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$38,237,000</b> | <b>\$17,845,000</b> |

**Classifications:** vegetables (LNA F-143); cooking products (LNA F-110); prepared foods (LNA F-120)**Marketing/brand management:**

Gen mgr, Ed Fencil

mktg mgr, Neill Kelly

**The media group includes:**

Dir media srvc, David K. Braun

Assoc media dir, P. E. Kane

Mgr media, Robert Gillespie

Media coor, L. F. Meyer

Grp mgr-natl plng, D. J. Miceli

Asst mgrs-plng: Brenda Jansen

(network), Gary Gruneberg (print)

Mgr media res, James Spaeth

Media asst, Bobby Asano

**Agencies:** Young & Rubicam, N.Y.

Exec vp-grp dir, Lawrence Shapiro

Vp-mgmt supr, Linda Patston

Vp-acct supr, Richard Bodge

Acct execs: Dennis McGarry, Roger

Chiocchi

Asst acct exec, Miriam Kogan

Sr vp-media grp supr, George Sharpe

Media supr, Anne Phillips

177.

**NATURAL LIGHT beer**

Anheuser-Busch

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 928,000          | \$ 2,718,000        |
| Supps         | —                   | —                   |
| Newspapers    | 78,000              | —                   |
| Network tv    | 14,900,000          | 10,389,000          |
| Spot tv       | 2,525,000           | 3,425,000           |
| Network radio | 20,000              | 28,000              |
| Spot radio    | 1,557,000           | 1,174,000           |
| Outdoor       | 10,000              | 59,000              |
| <b>Total</b>  | <b>\$20,018,000</b> | <b>\$17,793,000</b> |

**Classification:** beer (LNA F-310)**Marketing/brand management:**

Vp-mktg, Michael J. Roarty

Vp-brand mgmt, Jack MacDonough

Vp-corp media, Charles B. Fruit

Dir media srvc, Tony Ponturo

Grp mktg mgr, David L. Morris

Sr prod mgr, Joe Corcoran

Brand prom mgr, Joe Paris

**Agency:** D'Arcy-MacManus & Masius, St. Louis

Sr vp-mgmt supr/A-B Worldwide, Percy Orthwein

Sr vp-mgmt supr/A-B Beer Brands, Tim Arnold

Acct supr, Beverly Berner

Acct exec, Mike McNeal

Sr vp-dir media srvc, Frank Kopec

Vp-grp media dir, Steve Phelps

Assoc media dir, Gary Titterton

178.

**HOLIDAY INNS**

Holiday Inns, Inc.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,649,000        | \$ 4,225,000        |
| Supps         | —                   | 474,000             |
| Newspapers    | —                   | —                   |
| Network tv    | 10,509,000          | 8,401,000           |
| Spot tv       | 791,000             | 1,221,000           |
| Network radio | —                   | 1,304,000           |
| Spot radio    | 65,000              | 104,000             |
| Outdoor       | 1,689,000           | 2,029,000           |
| <b>Total</b>  | <b>\$16,703,000</b> | <b>\$17,758,000</b> |

**Classification:** hotels (LNA T-431)**Marketing/brand management:**

Sr vp-mktg, Christopher C. Browne

Vp-systems mktg, Doug Bell

Dir, systems adv, Dennis De Lareo  
**Agency: Kenyon & Eckhardt, N.Y.**  
 Sr vp-mgmt supr, Mary Lou Pritchett  
 Vp-acct supr, David McConaughy  
 Vp-assoc media dir, Rick Smith

## 179.

### HALLMARK cards Hallmark Cards

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 830,000          | \$ 9,000            |
| Supps         | —                   | —                   |
| Newspapers    | —                   | 128,000             |
| Network tv    | 13,627,000          | 16,971,000          |
| Spot tv       | 84,000              | 412,000             |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$14,541,000</b> | <b>\$17,520,000</b> |

**Classification:** greeting cards (LNA B-321)

#### Marketing/brand management:

Dir adv & sales prom, Brad R. Moore

**Agency: Young & Rubicam, N.Y.**

Sr vp-mgmt supr, Eugene O'Sullivan

Vp-acct supr, Gerard Dufour

Acct exec, Jayne Gurland

Vp-media grp supr, Joseph Mannix

Media supr, Betsy Davis

## 180.

### PREPARATION H American Home Products

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 914,000          | \$ 604,000          |
| Supps         | 195,000             | 82,000              |
| Newspapers    | 408,000             | 177,000             |
| Network tv    | 10,277,000          | 14,706,000          |
| Spot tv       | 1,104,000           | 1,078,000           |
| Network radio | 2,134,000           | 542,000             |
| Spot radio    | 328,000             | 63,000              |
| <b>Total</b>  | <b>\$15,360,000</b> | <b>\$17,252,000</b> |

**Classification:** medicines (LNA D-210)

#### Marketing/brand management:

Adv dir, Steve Kubinski

Grp mgr, Peter Mayer

Sr prod mgr, Harding Dies

**Agency: Kornhauser & Calene, N.Y.**

Sr vp-mgmt supr, Rick Kornhauser

Vp-media mgr, Gary Faver

## 181.

### DIAL soap and deodorant Greyhound Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 2,094,000        | \$ 142,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 19,843,000          | 16,363,000          |
| Spot tv       | 529,000             | 7,000               |
| Network radio | 94,000              | 707,000             |
| Spot radio    | —                   | —                   |
| Outdoor       | 100,000             | —                   |
| <b>Total</b>  | <b>\$22,660,000</b> | <b>\$17,219,000</b> |

**Classifications:** soaps (LNA D-122),  
deodorants (LNA D-124)

#### Marketing/brand management:

Sr vp-prod mktg, Richard Garabedian

Grp mktg dir, Paul Lustig

Dir adv, Allan Marcy

Prod grp mgr, Mark Shook

Asst prod grp mgr, Paul Heising

**Agency: NH&S, Chicago**

Sr vp-dir media resources, David Drake

Vp-dir media oper, William F. Heimann

Vp-assoc media dir, Glenn Erdell

Media supr, Marilyn Kelly

Media plnr, David Handleman

Print plnr, Janice Bailey

Local bdcst buyer, Susan Ensminger

Vp-ntwk dir, Howard M. Sirinsky

Ntwk supr, Ira Berger

Ntwk plnr, Terri Soluri

Vp-mgmt rep, Gene Yovetich

Acct supr, Ray Gillette

Acct exec, Mary Moudry

#### The media group includes:

Dir media, Russ Condit

Media suprs: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assets: Barb Weinstein, Leslie

Paladin

**Agency: Compton, N.Y.**

Mgmt supr, Don Press

Asst mgr, Austin McNamara

Asst acct mgrs: Barbara Kantrowitz,

Andy Craven

Assoc media dir, Nancy Fastenberg

Media mgr, Mary Ann Power

Assoc media mgr, Ken Sacharin

Media plnr, Cheryl Leslie

## 183.

### CHEF BOY-AR-DEE foods American Home Products

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 369,000          | \$ 2,485,000        |
| Supps         | 143,000             | 162,000             |
| Newspapers    | 554,000             | 622,000             |
| Network tv    | 10,691,000          | 10,905,000          |
| Spot tv       | 3,281,000           | 2,828,000           |
| Network radio | 621,000             | —                   |
| Spot radio    | 104,000             | 87,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$15,763,000</b> | <b>\$17,089,000</b> |

**Classification:** prepared foods (LNA F-120)

#### Marketing/brand management:

Vp-mktg dir, Ted Host

Vp-prod mgmt, J. Palminteri

Adv dir, J. Newberger

Prod mgrs: J. Hittson, A. Soricelli, M.

Karahan, P. Perez

**Agencies: Young Rubicam, N.Y.**

Sr vp-mgmt supr, Jerry Shereshevsky

Vp-acct supr, Elsa Schafer

Acct execs: Maria Geraci, Russell

Nype, Judy Reiss

Vp-media grp supr, Mark Arnold

Media supr, Elsa Saldana

**Kornhauser & Calene, N.Y.**

(soup de pasta)

Vp-acct supr, Steve Kornhauser

Sr vp-dir media plng, Stan Weinstein

## 182.

### TIDE detergent Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 731,000          | \$1,039,000         |
| Supps         | —                   | —                   |
| Newspapers    | 59,000              | 20,000              |
| Network tv    | 13,245,000          | 10,841,000          |
| Spot tv       | 4,591,000           | 6,201,000           |
| Network radio | —                   | —                   |
| Spot radio    | 87,000              | 42,000              |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$18,713,000</b> | <b>\$17,207,000</b> |

**Classification:** detergents (LNA H-410)

#### Marketing/brand management:

Div mgr, S. P. Donovan

Adv mgr, E. A. Glover

# 184.

## DR PEPPER soft drink Dr Pepper

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,099,000        | \$ 960,000          |
| Supps         | —                   | —                   |
| Newspapers    | 732,000             | 351,000             |
| Network tv    | 9,833,000           | 6,727,000           |
| Spot tv       | 3,090,000           | 6,571,000           |
| Network radio | —                   | —                   |
| Spot radio    | 1,502,000           | 2,255,000           |
| Outdoor       | 122,000             | 202,000             |
| <b>Total</b>  | <b>\$16,378,000</b> | <b>\$17,066,000</b> |

**Classification:** soft drinks (LNA F-220)

### Marketing/brand management:

Vp-con mktg, William L. Schermerhorn  
Dir brand mgmt, D. G. Valentine

**Agencies:** Young & Rubicam, N.Y.

Exec vp-grp dir, William Thompson

Sr vp-mgmt supr, Ed Comiskey

Vp-acct supr, Bob Hamlin

Acct execs: Ben Machtiger, James

Bogie (sugar free)

Vp-media grp supr, Ira Tumpowsky

Media supr, Bill Colihan

### Eagle Advertising

(house agency)

Media dir, John Smith

# 185.

## FRESH START detergent Colgate-Palmolive

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,510,000        | \$ 1,246,000        |
| Supps         | —                   | 417,000             |
| Newspapers    | 203,000             | 253,000             |
| Network tv    | 8,237,000           | 10,583,000          |
| Spot tv       | 4,649,000           | 4,497,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | 61,000              |
| Outdoor       | 42,000              | —                   |
| <b>Total</b>  | <b>\$14,641,000</b> | <b>\$17,057,000</b> |

**Classification:** heavy-duty detergent  
(LNA H-413)

### Marketing/brand management:

Vp-gen mgr, A. C. Shepard

Dir of mktg, D. L. Enfield

Detergent cat mgr, J. P. Benfield

Dir of media, Harry D. Way

Media plnrs: G. H. Hull, S. I. Freilich

**Agency:** Kenyon & Eckhardt, N.Y.

Mgmt supr, Mol Bybee

Acct supr, Dennis Zolnierzak

Acct exec, Mike Dabnowski

Media supr, Madeline Blount

# 186.

## HANES products Hanes Corp. Consolidated Foods

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,954,000        | \$ 2,369,000        |
| Supps         | 123,000             | 23,000              |
| Newspapers    | 284,000             | 31,000              |
| Network tv    | 11,624,000          | 14,174,000          |
| Spot tv       | 344,000             | 365,000             |
| Network radio | —                   | —                   |
| Spot radio    | —                   | 52,000              |
| Outdoor       | 3,000               | 31,000              |
| <b>Total</b>  | <b>\$14,332,000</b> | <b>\$17,045,000</b> |

**Classifications:** hosiery (LNA A-160);  
underwear (LNA A-120)

### Marketing/brand management:

Vp-mktg, Robert E. Simms

Prod mgr, Christine A. Findlaw

**Agencies:** DFS, New York

Sr vp-mgmt supr, Len DeLuca

Vp-acct supr, Ronald Franz

Acct exec, Harley Griffiths

Exec vp-media dir, Allen Banks

Sr vp-sr assoc media dir, Ira Weinblatt

Assoc media dir, Rich O'Gorman

**Mingo-Jones, New York**

(ethnic markets)

Acct supr, Roland Chandler

Media mgr, Betty Robinson

# 187.

## WALT DISNEY Walt Disney Productions

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 713,000          | \$ 4,785,000        |
| Supps         | —                   | 202,000             |
| Newspapers    | 327,000             | 388,000             |
| Network tv    | 11,067,000          | 4,562,000           |
| Spot tv       | 4,243,000           | 5,256,000           |
| Network radio | —                   | 40,000              |
| Spot radio    | 762,000             | 1,804,000           |
| Outdoor       | 11,000              | —                   |
| <b>Total</b>  | <b>\$17,168,000</b> | <b>\$17,037,000</b> |

**Classifications:** movies (LNA G-310),  
amusements (LNA G-320)

### Marketing/brand management:

Vp-mkt plng (movies & tv), Bob King

Dir of adv, Cathy Skow

**Agency:** Vista Advtg., Anaheim, CA

(house agency)

# 188.

## BOUNCE softener Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,566,000        | \$ 1,289,000        |
| Supps         | —                   | —                   |
| Newspapers    | 10,000              | 55,000              |
| Network tv    | 8,635,000           | 12,258,000          |
| Spot tv       | 2,557,000           | 3,347,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$12,868,000</b> | <b>\$16,949,000</b> |

**Classification:** laundry preparations  
(LNA H-420)

### Marketing/brand management:

Div mgr, S. P. Donovan

Adv mgr, E. A. Glover

**The media group includes:**

Dir media, Russ Condit

Media supr: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie

Paladin

**Agency:** Benton & Bowles, N.Y.

Sr vp-mgmt supr, Pete Greene

Vp-assoc media dir, Steve Farella

# 189.

## ZENITH Zenith Radio

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,296,000        | \$ 3,012,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,910,000           | 1,813,000           |
| Network tv    | 10,673,000          | 8,373,000           |
| Spot tv       | 3,901,000           | 3,689,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 8,000               | 40,000              |
| <b>Total</b>  | <b>\$19,785,000</b> | <b>\$16,927,000</b> |

**Classification:** radios, tv sets (LNA  
H-310)

### Marketing/brand management:

Vp-mktg, John L. McCallister

Dir adv/sales prom, Joseph J. Ptacin

**Agency:** FCB/Chicago

Mgmt supr, John Giroux

Sr vp-media dir, Greg Blaine

Grp media dir, Bruce Smith

Media supr, Laura Dolan



## 190. DOWNY softener Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | —                   | \$ 119,000          |
| Supps         | \$ 46,000           | —                   |
| Newspapers    | 23,000              | —                   |
| Network tv    | 11,681,000          | 13,262,000          |
| Spot tv       | 2,342,000           | 3,341,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,092,000</b> | <b>\$16,722,000</b> |

**Classification:** laundry preparations (LNA H-420)

### Marketing/brand management:

Div mgr, S. P. Donovan

Adv mgr, E. A. Glover

### The media group includes:

Dir media, Russ Condit

Media suprs: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil, Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R. Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie Paladin

### Agency: Grey, New York

Exec vp-acct mgmt, Hunter Yager

Sr vp-acct mgmt, Neil Kreisberg

Vp-assoc media dir, Lenore Hauptman

Asst media dir, Larry Orell

## 191. JOHNSON'S products S. C. Johnson

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 4,515,000        | \$ 2,961,000        |
| Supps         | 267,000             | 171,000             |
| Newspapers    | —                   | —                   |
| Network tv    | 11,048,000          | 11,588,000          |
| Spot tv       | 2,200,000           | 1,950,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$18,030,000</b> | <b>\$16,670,000</b> |

**Classifications:** cleaners (LNA H-430); laundry preparations (LNA H-420); deodorizers (LNA H-243)

### Marketing/brand management:

Vp-mktg, L. R. Newman

Dir adv srvc, August Priemer

Gen mgr, B. P. Harris (personal care)

Grp prod mgrs: J. D. Culea (floor, rug,

laundry care), B. M. Pritchard (air fresheners, furniture and other surface care)

### Agencies: FCB/Chicago

Grp mgmt supr, Carl Behr

Mgmt acct supr, Daniel Fox

Sr vp-media dir, Greg Blaine

Grp media dir, Ralph Katz

Media suprs: Rita Brumlik, Katie Donoval

### JWT, Chicago

Mgmt suprs: Paula Kahn, Matt Kurz

Sr vp-media dir, Robert H. Irvine

Sr vp-dir media resources, Ron Kaatz

Vp-grp acct media dir, Shari Wall

Vp-acct media dir, Alison Thomas

## 192. STAYFREE pads Johnson & Johnson

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,592,000        | \$ 4,484,000        |
| Supps         | 117,000             | —                   |
| Newspapers    | 574,000             | 11,000              |
| Network tv    | 12,831,000          | 11,104,000          |
| Spot tv       | 99,000              | 80,000              |
| Network radio | 712,000             | 580,000             |
| Spot radio    | 325,000             | 261,000             |
| <b>Total</b>  | <b>\$18,250,000</b> | <b>\$16,520,000</b> |

**Classification:** feminine hygiene products (LNA D-123)

### Marketing/brand management:

Vp-mktg, J. B. Ziegler

Dir prod mgmt, E. F. Chase

Grp prod dir, T. K. McCarter

Prod dir, W. A. Slivka

### Agency: Young & Rubicam, N.Y.

Exec vp-grp div, William Thompson

Vp-mgmt supr, Anne Zopfi

Vp-acct supr, Frank Vuono

Acct execs: John Leonard, Susan

Rabb, Mark Greene

Vp-media grp supr, Mark Arnold

Media supr, Elsa Saldona

## 193. TEXACO gasoline Texaco

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 3,383,000        | \$ 1,875,000        |
| Supps         | —                   | —                   |
| Newspapers    | 2,667,000           | 1,619,000           |
| Network tv    | 12,016,000          | 7,558,000           |
| Spot tv       | 3,740,000           | 3,245,000           |
| Network radio | —                   | —                   |
| Spot radio    | 2,217,000           | 2,118,000           |
| Outdoor       | 72,000              | 72,000              |
| <b>Total</b>  | <b>\$24,095,000</b> | <b>\$16,487,000</b> |

**Classifications:** general promotion (LNA T-230); gasoline, oil (LNA T-210) (LNA T-230)

### Marketing/brand management:

Gen mgr-adv & prom worldwide, John H. Childs

Mgr corp adv, M. Keenan

Mgr mktg & adv, Walter Molony

Asst adv mgr, Roger Strecker

### Agency: Benton & Bowles, N.Y.

Sr vp-acct dir, Joseph Hannan

Vp-mgmt supr, Richard Jennings

Sr vp-dir media mgmt, Phil Guarascio

Vp-assoc media dir, Frank Massaro

Asst media dir, Fred Zuckerman

Media plnrs: Charles Hirsch, Frank Smith

## 194. SILKIENCE lotion Gillette Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 806,000          | \$ 918,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 19,067,000          | 14,490,000          |
| Spot tv       | 1,039,000           | 1,046,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$20,912,000</b> | <b>\$16,454,000</b> |

**Classifications:** lotions (LNA D-111); hair products (LNA D-140)

### Marketing/brand management:

Mktg mgr (skin care), Chris Deering

Mktg mgr (hair care), Gage Heath

Dir media srvc, Allen Gibbs

### Agencies: N W Ayer, N.Y.

(skin care: moisturizer cream & lotion)

Sr vp-exec acct dir, Stan Mallison

Vp-mgmt supr, Jan Keeper

Vp-acct supr, Jim Haag

Sr acct exec, Steve Farley

Acct exec, Leslie Reich

Assoc media dir, Jim Mitchell

### Advertising to Women, N.Y.

(hair care: conditioners, shampoo, hair spray)

Vp-mgmt supr, Jeff Lehmann

Vp-grp acct supr, Lillian Panettiere

Acct supr, Martha Eidman

Assoc media dir, Geri Powers

Media supr, Marjory Frummer

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195.

## CHEER detergent Procter & Gamble

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 1,203,000        | \$ 627,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 9,887,000           | 7,424,000           |
| Spot tv       | 1,854,000           | 8,329,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$12,944,000</b> | <b>\$16,380,000</b> |

**Classification:** detergents (LNA H-410)

### Marketing/brand management:

Div mgr, S. P. Donovan

Adv mgr, E. A. Glover

### The media group includes:

Dir media, Russ Condit

Media suprs: James P. Connell, R. H.

Jones, John Taylor, Lynne C. Veil,

Marion Grant, Mary Price

Assoc media mgrs: J. R. Maxwell,

Gordon Milne, Gordon Young, E. R.

Plowden

Network coor, D. J. Noble

Media assts: Barb Weinstein, Leslie

Paladin

### Agency, Leo Burnett, Chicago

Client'srvs dir, Peter Husting

Sr vp-media svcs dir, Kenneth Lane

Vp-media, Willard Hadlock

Media dir, Bob Kirkpatrick

196.

## WOOLITE detergent American Home Products

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 742,000          | \$ 1,055,000        |
| Supps         | 35,000              | —                   |
| Newspapers    | 113,000             | —                   |
| Network tv    | 7,953,000           | 10,859,000          |
| Spot tv       | 4,088,000           | 4,149,000           |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$12,931,000</b> | <b>\$16,073,000</b> |

**Classifications:** detergents (LNA H-412); cleaners (LNA H-430)

### Marketing/brand management:

Adv mgr, Ken Lagana

Mktg svcs dir, R. Duncan

Vp-mktg, Chris duLaney

Mdsg mgr, Shelley Steinberg

Prod mgr, Janet Brecher

### Agency: Cunningham & Walsh, N.Y.

Acct exec, Rasolia Valentino

Assoc media dir, John Hughes

Media supr, Emily Levin

197.

## MINOLTA cameras/copiers Minolta Corp.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 5,876,000        | \$ 6,174,000        |
| Supps         | —                   | —                   |
| Newspapers    | 1,217,000           | 738,000             |
| Network tv    | 5,271,000           | 5,530,000           |
| Spot tv       | 3,935,000           | 2,989,000           |
| Network radio | —                   | —                   |
| Spot radio    | 891,000             | 580,000             |
| Outdoor       | 3,000               | 41,000              |
| <b>Total</b>  | <b>\$17,193,000</b> | <b>\$16,052,000</b> |

**Classifications:** cameras (LNA

G-230); office machines (LNA B-312)

### Marketing/brand management:

(photo)

Dir mktg, James de Merlier

Dir pr/trade comm, Harold Center

Con adv mgr, Robert Mayer

(copiers)

Adv/pr mgr, John Vacca

### Agencies: William Esty, N.Y.

(photo)

Exec vp-grp mgmt supr, L. M. Wassong

Mgmt supr, J.E. Neal

Acct supr, G. Auld

Vp-assoc media dir, P. Schwetz

### Bozell & Jacobs, N.Y.

(copiers)

Sr vp-mgmt supr, Al Shapiro

Vp-acct supr, Gerald Matthes

Acct exec, Laurene Freehill

Vp-N.Y. media mgr, Harry Glass

Assoc media dir, Caroline Libby

Asst plnr, Meg Lynch

198.

## MENNEN toiletries Mennen Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 642,000          | \$ 879,000          |
| Supps         | —                   | —                   |
| Newspapers    | —                   | —                   |
| Network tv    | 13,914,000          | 15,133,000          |
| Spot tv       | 273,000             | 37,000              |
| Network radio | —                   | —                   |
| Spot radio    | 1,748,000           | —                   |
| Outdoor       | —                   | —                   |
| <b>Total</b>  | <b>\$16,557,000</b> | <b>\$16,049,000</b> |

**Classifications:** personal hygiene

(LNA D-120); medicated skin products (LNA D-216)

### Marketing/brand management:

Vp-mktg, Dominic J. La Rosa

Vp-new products, Bill Mathewson

Cat mktg mgrs: Frank La Ronca (men's

fragrances), Bob Griffith (skin care &

baby prods), M. Virginia Dotzauer

(deo/AP)

### Agencies: Grey, New York

(babies/women's products)

Sr vp-acct mgmt, T. H. Lieberman

Vp-mgmt supr, Ben DeYoung

Vp-dir media & prog, Alec Gerster

Vp-assoc media dir, Russ Booth

### SSC&B, New York

Exec vp-mgmt supr, Spencer

Plavoukos

Vp-mgmt supr, Gunnar Wilmot

Exec vp-media & ntwk prog, Lawrence

Lamattina

Vp-assoc media dir, Alan Jurmain

199.

## NEWPORT cigarettes (Lorillard) Loews

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 6,053,000        | \$ 4,982,000        |
| Supps         | 247,000             | —                   |
| Newspapers    | 6,070,000           | 277,000             |
| Network tv    | —                   | —                   |
| Spot tv       | —                   | —                   |
| Network radio | —                   | —                   |
| Spot radio    | —                   | —                   |
| Outdoor       | 7,940,000           | 9,964,000           |
| <b>Total</b>  | <b>\$20,310,000</b> | <b>\$15,223,000</b> |

**Classification:** tobacco (LNA G-111)

### Marketing/brand management:

Vp-adv & brand mgmt, T. H. Mau

Grp brand dir, G. R. Telford

Brand mgr, R. D. Hammer

Media dir, Bill Sands

### Agency: MCA Advertising, N.Y.

Exec vp-grp mgmt dir, George Hoefer

Vp-acct dir, Ed Ricci

Acct exec, Bob Piwinski

Sr vp-media dir, Dawn Sibley

Assoc media dir, Pat Gibson

Media suprs: Paul Varisco, Diane

Bernstein

**For alphabetical  
index turn to  
page 50.  
Trend comments  
start on page 52.**

200.

## PRUDENTIAL insurance

Prudential Insurance Co.

|               | media dollars       |                     |
|---------------|---------------------|---------------------|
|               | 1981                | 1982                |
| Magazines     | \$ 623,000          | \$ 2,167,000        |
| Supps         | 17,000              | —                   |
| Newspapers    | 211,000             | 182,000             |
| Network tv    | 12,477,000          | 12,178,000          |
| Spot tv       | 983,000             | 494,000             |
| Network radio | 42,000              | —                   |
| Spot radio    | —                   | 131,000             |
| Outdoor       | —                   | 4,000               |
| <b>Total</b>  | <b>\$14,353,000</b> | <b>\$15,156,000</b> |

**Classification:** insurance (LNA B-210)

### Marketing/brand management:

Adv dirs: Dinah Keefe, Peter Briggs

Adv mgr, Nancy McCarthy

**Agency:** Ted Bates, N.Y.

Sr vp-mgmt supr, Lee Hines

Vp-acct suprs: Irene Lubgan, Jana Moorman

Acct execs: Leslie Farrand, Nina Beutel

Vp-media dir, Louis Hecker

Assoc media dir, Gaye Sussman

Media supr, Bill Del Tosta

Media plnrs, Randy Novick, Steve Goodman

## Sources

**Consumer magazines and supps:** data summarized from the PIB Magazine Analysis prepared by Leading National Advertisers (LNA) of actual lineage run in those media. Expenditures are based on current one-time gross rates before discounts. Rates for national full-run insertions are based on ad size and coloration. Rates for regional and less than full-run insertions are determined by LNA editors on circulation and rates supplied by the magazines. Covered are almost 100 consumer magazines and three national supps, plus tear sheets of over 1,500 regional editions a year.

The expenditures in the eight major national advertising media of the top 200 advertised brands represents about 44% of all dollars invested in those media. For more detailed information on how each brand spends its ad dollars and for how other brands (those with budgets totalling less than \$15.2 million in the eight major media) split their budgets the sources are Leading National Advertisers, Broadcast Advertiser Reports, Media Records, and Radio Expenditure Reports.

**Newspapers:** data compiled by Media Records, which measured every ad in 221 daily and Sunday newspapers. Actual lineage is multiplied by the one-time general open line rate as of January 1982. Dollar estimates include newspaper supps, preprinted inserts, comics, rotogravure, all color ads. Data is estimated to cover 82% of national newspaper lineage. *Marketing & Media Decisions* has added estimates of local expenditures in newspapers by the five leading chain retailers because the extent of their operations makes their brands, in effect, "nationally" advertised as well as distributed.

**Network tv and network radio:** data secured by Broadcast Advertisers Reports (BAR), which monitors all network broadcasts except those of the Mutual radio network. Material is collected on audio tape and then translated into a sequential listing. Network tv and network radio rates are based on estimates provided by the three networks of per-minute cost for time and talent.

**Spot tv:** data secured by Broadcast Advertisers Reports (BAR) from listening posts in 75 top markets that monitor 278 stations for one week each month. These weekly records are projected to estimates of monthly spot tv usage. Spot tv rates are applied from a station rate deck that is constantly updated by agency buyers. The estimates represent about 90% of the dollars in spot tv.

**Spot radio:** data generated by Radio Expenditure Reports (RER) is calculated from a sample of 800 stations in 150 markets. RER's sources are 11 radio reps handling station groups which supply quarterly computer runs by station, by market, by brand of spots aired — plus similar reports from stations in 150 markets. Expenditures are projected to an adjusted national gross figure based on a formula provided by Radio Advertising Bureau (RAB). Estimates cover about 80% of total national spot radio.

**Outdoor:** data is based on information submitted to Leading National Advertisers (LNA) at the request of the Institute of Outdoor Advertising by outdoor plant operators in markets of 100,000 population or over. Covered is about 80% of total national outdoor advertising expenditures.

**Brand dollar estimates** are retabulated by *DECISIONS* by major brand name from the data just described. This represents the one place where the data from all these sources are presented together. The brand data in greater detail is also available from each of the organizations that compile the data. Leading National Advertisers publishes detailed listings of the information on magazines, supps, network tv, spot tv, network radio, and outdoor. References to LNA classifications are provided throughout this report for further reference in LNA's reports: Company/Brand \$; Class/Brand \$.

# SUPER SUPER SUPER

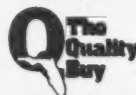
## A SUPER Newspaper in a SUPER Market THE TAMPA TRIBUNE

Reach more  
Sales  
Producing  
Prospects  
With  
Tampa Bay's  
QUALITY BUY...

Find out why The Tampa Tribune is the quality buy in the Tampa Bay market. Just send us your business card and we'll mail you our latest market brief, "The Quality Buy."

Contact:  
Byron Taggart, General Advertising Mgr. c/o  
The Tampa Tribune P.O. Box 191 Tampa, FL  
33601 (813) 272-7447

**THE  
TAMPA TRIBUNE**  
Morning and Sunday



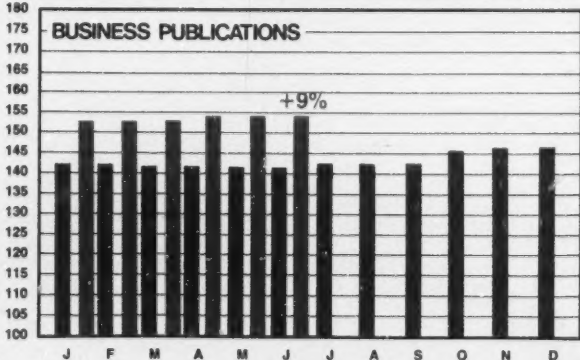
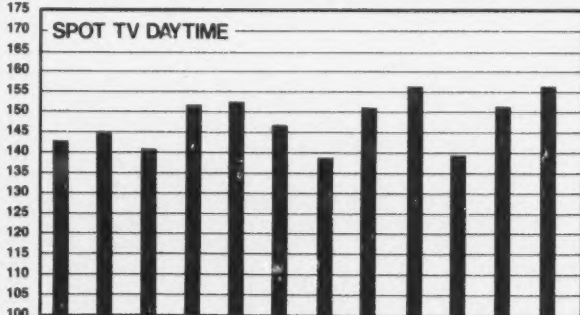
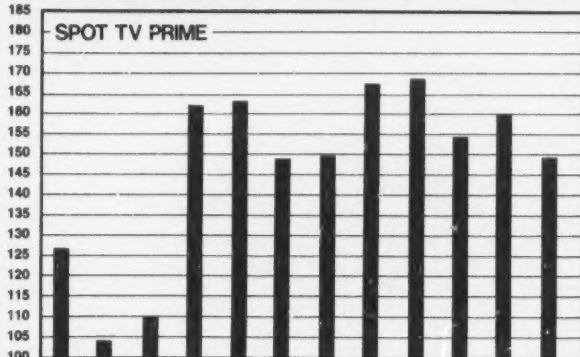
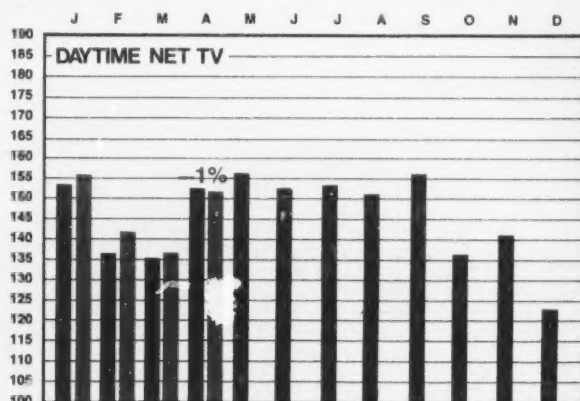
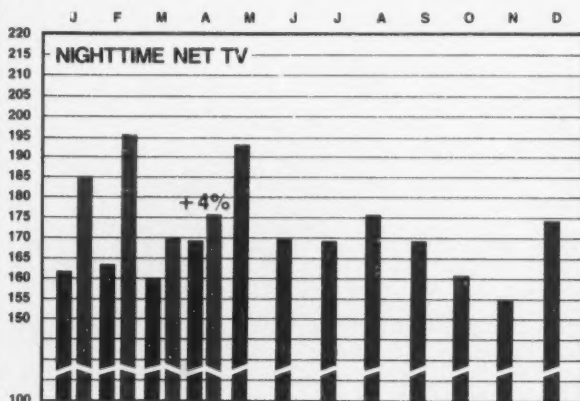
Represented by Sawyer Ferguson Walker  
Source: S&MM, Survey of Buying Power,  
July, 1982

Site of the 1984  
**SUPER  
BOWL!**



# MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977



The Cost Index shows comparative data for nighttime network and daytime tv, magazines, newspapers, supps, network radio and outdoor posters. Data for spot prime tv, spot daytime and radio are still unavailable.

Nighttime network tv leveled out even further in April than it had the month before, bringing a halt to the disparate fluctuations that had marked the beginning of the third quarter. The four percent increase demonstrated a further softening of the market, which began to flatten out in March.

The flatness that afflicted the daytime network tv market in March continued as another one percent increase was posted for April. And the pattern remains constant with that set in 1982.

Consumer magazines and business publications maintained stability in pricing, duplicating March's six percent pricing advance over the previous year.

Daily newspapers held constant in April and maintained a ten percent increase over the same month a year ago.

National supplements also show stability as the 11% gain noted in March held constant in April.

Network radio remained in a strong position as the second quarter started, posting a four percent gain over the same month in the previous year.

The Media Cost Index reflects trends extracted from available sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled.

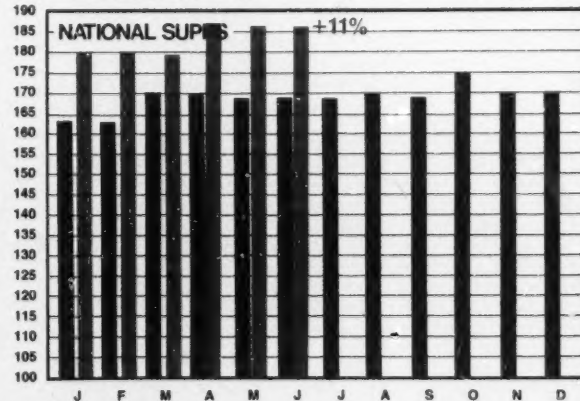
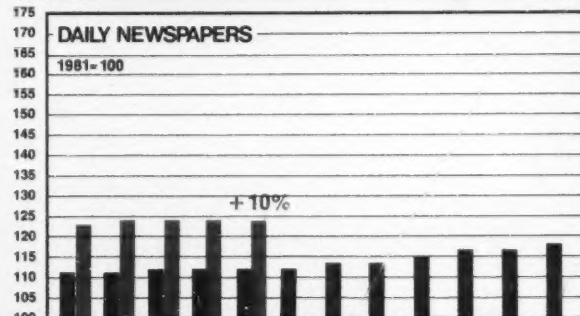
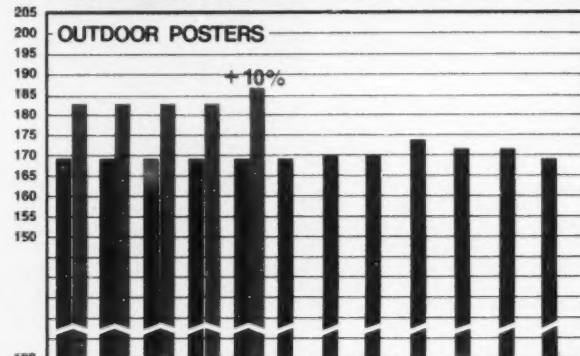
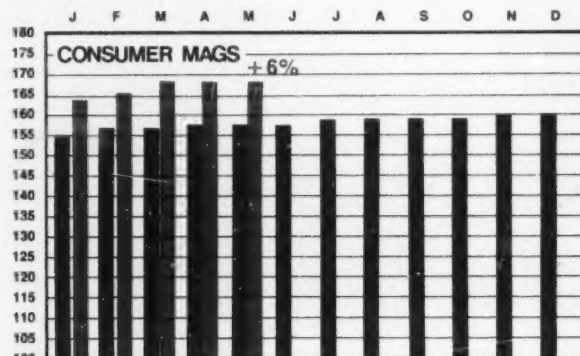
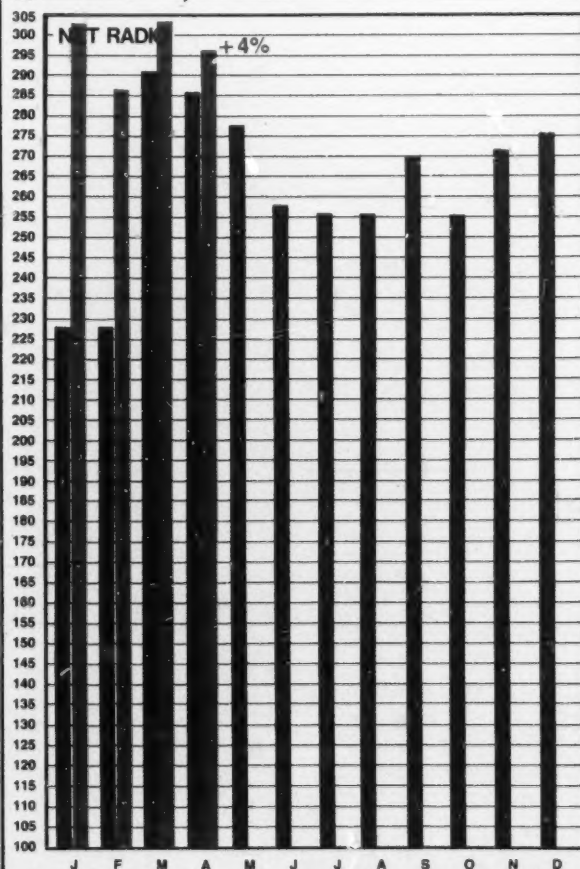
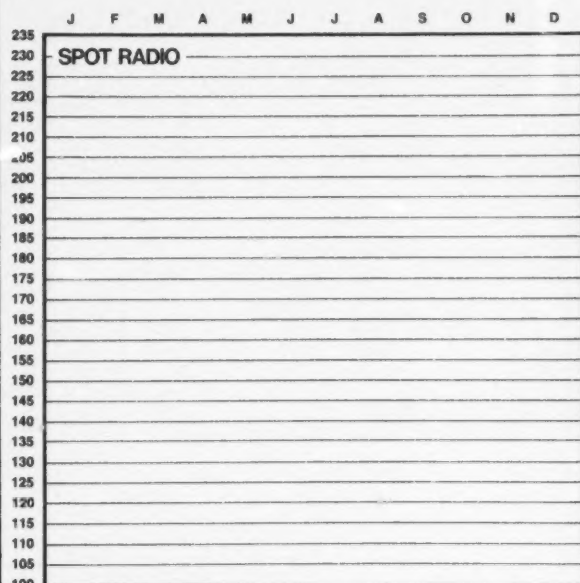
Sources: Nighttime Network TV — Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports (BAR) Network TV Service. Daytime Network TV — Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service. Network Radio — Cost per average 30-second radio announcement from BAR's Network Radio Service. Spot TV — prime and daytime — Cost per 30-second spot, Monday-Sunday from BAR's Spot TV Service.

Consumer Magazine estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn. National supplements estimate based on published (rate cards) costs of a page, four-color for the national supplements. Daily Newspapers estimate based on Newspaper Advertising Bureau report of SRDS costs per page line of a sample of 788 newspapers weighted to represent the universe. Business Publications estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications. Outdoor Posters based on estimate prepared by Institute of Outdoor Advertising. Spot Radio data to develop a continuing index are not available at the present.

How to read: Media Cost Index reflects latest available costs compared with base year 1977. Percent change shows rate of change from the same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1982; color bars 1983; base year 1977



MARKETING &  
MEDIA

C 2950-3 8/16/83

# Decisions

Candid comments on net tv rates

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Brand report on wines

COIM 0155243 X S BR  
JOSEPH MCNALLY  
CONGRESSIONAL INF SVC  
4520 EAST-WEST HWY #800  
BETHSEDA MD 20814

DIR

Guest Editor Alan Ross, vice president, corporate communications, Subaru of America, Inc., is off to the races Page 62





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monitor their shows closely, using an impressive range of qualitative indicators. These include concept and casting studies, theater screenings, special opinion surveys, TV Q scores and an analysis of letters received — as well as the audience counts.

There seems to be an assumption in some quarters that the networks are run by half-wits, who have no idea how viewers respond to their programs. Their so-called "Nielsen rating" mentality is cited as the primary reason for the appearance of so many "bad" or "trivial" shows each season. One theory holds that the networks must be coerced to see the light. The chosen instrument in this crusade to improve the caliber of tv programing is the advertiser, who supposedly will use the clout of his ad dollars to reject "bad" shows and instead, support "good" ones.

But to accomplish this goal one has to have a workable definition of a "good" and a "bad" program. This is where the critics of the system back off. Instead, they propose to augment tv's standard audience surveys with "qualitative" studies — reflecting viewer responses.

The recent Television Audience Assessment (TAA) efforts are an excellent example of such efforts in practice. In two experimental projects, viewers have recorded their attention levels and rated shows just watched in terms of "appeal" and the degree to which they learned something from them.

The results, not surprisingly, reveal rather striking differences between individual programs, and in some cases, perplexing or surprising findings. When two of TAA's qualitative scalings ("appeal" and "impact") were combined into a composite index, a show like "Quincy" was found to rate 62% better than "Hart To Hart," which in turn rated 49% higher than "The Fall Guy." In the comedy category, "M\*A\*S\*H" rated 70-75% higher than "Alice" or "WKRP In Cincinnati," and 125% higher than "Mork & Mindy."

Now all of this is very interesting, but even though TAA's objectives are laudable, it is difficult to accept their premise that program "impact" and "appeal" measurements can be

equated with commercial exposure, or that *commercial impact* is a direct corollary of program impact. While there is some evidence suggesting that highly involving programs have a positive effect on commercial exposure opportunities, most viewers recognize advertising messages as separate and distinct entities — not as part of the programs they were watching. It's possible to rationalize a 10-20% "benefit," or perhaps a bit more, for a perfect fit of commercial to program environment, but not two or three to one discrepancies. Certainly the advertising industry would expect to see some experimental research correlating the TAA program response measures with commercial impact studies, before going further.

While the notion that advertisers will rush to carry the ball to prompt "better" tv programing may not be realistic, I believe that TAA's efforts to explore television's impact, not just its viewer counts, should be encouraged. Yet, in discussing the TAA studies with various ad agency executives, I was struck by their lack of concern. It smacks of the agency generated cable hype that deluged us only a year or so ago. Now that the grim realities have become evident, most of the agencies have jumped off the cable bandwagon and with sublime after-the-fact expertise, are cautioning their clients to approach cable "realistically."

In this context, the industry "support" for TAA seems like more of the same. It's easy to encourage the TAA people. After all, everyone, myself included, would like to see an improvement in tv programing. But a more responsible approach would call for some really hard questions to be dealt with. For example, how could the TAA data be used in the time buying (or planning) process? Asking this question, I found that very little thought had been given to the matter by those who would be the ultimate users. Still worse, despite the lofty speeches of various media directors and advertiser execs, there seems to be no real interest at the staff (or executional) level.

To reiterate, I think that this is a shame and that TAA should be encouraged, indeed supported by adver-

tisers and agencies. Not with pious speeches but with sound, realistic critiques, and ultimately with dollars to fund new tests and validations. It's in the advertiser's interest to develop any tool or methodology that improves the effectiveness of his tv ad dollars. But this requires some real involvement. Let's hope that the industry doesn't drop the ball on this one.

## RESEARCH

By BETSY FRANK

Associate Media Research Director,  
Dancer Fitzgerald Sample, Inc.



## Nielsen's report on channel switching (or, "and now a word from our . . ." ZAP)

Don't look now, but those commercials we spend so much money to produce and buy media time to place are becoming increasingly easy to avoid.

"Zapping" — channel switching during commercials — is a phenomenon which is growing as cable creates additional viewing options and as more television sets have remote tuning devices.

The ideal way to determine the impact of zapping would be to examine the status of a set on a second-by-second basis. Unfortunately, both Arbitron's and Nielsen's electronic meters, although technically the best method to measure tuning, are limited to monitoring the television minute-by-minute.

Several recent studies have relied on diaries and interviews in an attempt to gauge the dimensions of the problem,

although television viewing, especially of commercials, has a great potential for bias; people often say what they think they should say, rather than what they feel.

Partially in response to these non-mechanical methodologies, Nielsen has just released its own Zapping Study. Since the results were based on minute-by-minute data — and viewers can zap faster than that — they do not represent a definitive analysis of the phenomenon. However, we feel that this is the first *significant* piece of research on zapping and sets the stage for additional, expanded research.

The purpose of the Nielsen Zapping Analysis was to compare *tuning activity* during primetime, one-hour shows and daytime-dramas for total tv households, cable and pay cable and pay households, and households with remote control on at least one set. *Tuning activity* includes:

- Tuning to a program from another channel
- Tuning to another channel from the program
- Turning the set on and off. (A major limitation of the study was the failure to break out these components of tuning. For example, we don't know how much of all tuning taking place during the first three minutes of a program was merely the result of turning the set on. The follow-up study, due this fall, will provide more of a breakout.) The percent of tv households engaged in tuning activity during the average minute is the *Change Rating*.

The  $\text{Change Rating} = \frac{\% \text{ Audience}}{\text{Program Rating}} \text{ Changing Channels.}$

## Findings

- Dial activity is a small part of the total viewing time; that is, during the average minute, the amount of tuning among all tv households in the sample is modest:

| % AUDIENCE CHANGING CHANNELS |    |
|------------------------------|----|
| Primetime                    | 3% |
| Daytime                      | 2% |

- Most tuning occurs at the start and at the end of a program.

| MINUTE:          | % AUDIENCE CHANGING CHANNELS |         |         |       |
|------------------|------------------------------|---------|---------|-------|
|                  | :00-:03                      | :27-:33 | :57-:60 | Other |
| <b>Primetime</b> |                              |         |         |       |
| 8-9PM            | 21%                          | 3%      | 15%     | 3%    |
| 9-10PM           | 12%                          | 1%      | 9%      | 1%    |
| 10-11PM          | 12%                          | 1%      | 11%     | 1%    |
| <b>Daytime</b>   | 9%                           | 2%      | 8%      | 2%    |

A significant finding from the above is the relatively low level of tuning taking place during the six minutes surrounding the half hour break, even though programing on other channels may be changing. Also, note the higher levels during the six minutes surrounding the half hour break, even though programing on other channels may be changing. Also, note the higher levels during the 8-9 p.m. time period, probably a result of sets being first turned on as well as non-adult set control. And the increases during the last three minutes of 10-11 p.m. programs indicate sets being turned off for the night.

- Commercials appear to have relatively little effect on channel switching.

We can begin to gauge the influence of commercials on tuning by comparing minutes with and without com-

mercials. Surprisingly, the Nielsen study found that differences are minimal.

|                  | % AUDIENCE CHANGING CHANNELS |                     |
|------------------|------------------------------|---------------------|
|                  | with commercials             | without commercials |
| <b>Primetime</b> |                              |                     |
| 8-9 PM           | 3%                           | 4%                  |
| 9-10PM           | 3%                           | 2%                  |
| 10-11PM          | 2%                           | 2%                  |
| <b>Daytime</b>   | 3%                           | 2%                  |

- Cable homes, with more tuning options, do more channel switching, than non-cable homes, especially during daytime.

| MINUTE:          | % AUDIENCE CHANGING CHANNELS |         |         |       |
|------------------|------------------------------|---------|---------|-------|
|                  | :00-:03                      | :27-:33 | :57-:60 | Other |
| <b>Primetime</b> |                              |         |         |       |
| Pay Cable HH     | 16%                          | 2%      | 13%     | 2%    |
| Basic Cable HH   | 15%                          | 2%      | 11%     | 2%    |
| Non-Cable HH     | 14%                          | 1%      | 11%     | 2%    |
| <b>Daytime</b>   |                              |         |         |       |
| Pay Cable HH     | 9%                           | 4%      | 11%     | 4%    |
| Basic Cable HH   | 11%                          | 3%      | 12%     | 2%    |
| Non-Cable HH     | 7%                           | 2%      | 7%      | 2%    |

| MINUTE:          | % AUDIENCE CHANGING CHANNELS |         |         |       |
|------------------|------------------------------|---------|---------|-------|
|                  | :00-:03                      | :27-:33 | :57-:60 | Other |
| <b>Primetime</b> |                              |         |         |       |
| Remote           | 18%                          | 3%      | 15%     | 3%    |
| No Remote        | 14%                          | 1%      | 11%     | 2%    |
| <b>Daytime</b>   |                              |         |         |       |
| Remote           | 9%                           | 4%      | 9%      | 4%    |
| No Remote        | 8%                           | 2%      | 9%      | 2%    |





The Philadelphia ADI . . .

## It Won't Fly without THE MORNING CALL

Unless your computer knows something ours doesn't.

It's no mystery. The Allentown-Bethlehem-Easton SMSA has big numbers. This market is the third richest in Pennsylvania, a metro area of 648,000 people with \$6.4 billion in effective buying income. And our people spend it, to the tune of \$3.1 billion in retail sales — that's retail sales per household even higher than Philly's SMSA.

How to reach this four-county gold mine to the north of Philadelphia? Not one Philadelphia daily reaches more than 2% of this market. Only The Morning Call can make your message fly. With more than 66% combined daily/Sunday adult coverage of the SMSA, plus additional penetration into five counties surrounding the A-B-E SMSA, your message will fly even farther.

Nobody knows more about the upscale Lehigh Valley of Pennsylvania than The Morning Call. Looking for more figures on this tempting market? We have everything you need in our computer, and we'll be happy to share it with you. Call Bob Richelderfer at 215-820-6634.

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Represented by Cresmer, Woodward, O'Mara & Ormsbee, Inc.

• Households with easier dial access (remote control) on one or more sets do more switching than homes without.

Approximately one fifth of the homes in Nielsen's sample currently have remote control devices on one or more sets, but the fact that almost one third of pay cable homes have such devices indicates that cable companies are increasingly offering such attachments with hookup. Interestingly, Nielsen found that homes with pay cable and remote do about the same amount of switching in primetime as those with remote only, although they do somewhat more in daytime.

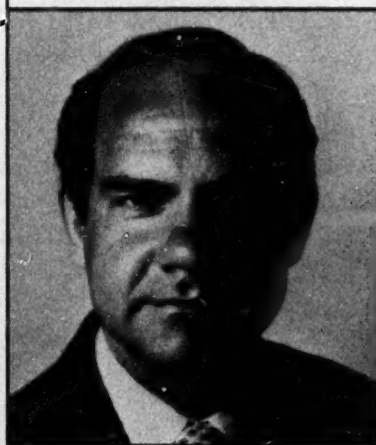
We need to see:

- Second-by-second data
- Program audiences versus commercial audiences
- Patterns in other dayparts, e.g. sports
- Which programs are less likely to be interrupted
- Which commercials are more likely to hold viewers' interest.

### MARKETING

By RICHARD R. BARRETT

president, Glendinning Associates, Westport, Connecticut



### Consumer Promotion — An '80's Opportunity

Making consumer promotion work harder in today's marketing mix represents a major marketing opportunity for most products. But the evidence abounds that many marketers are failing to capitalize on this opportunity.

Instead, they are just throwing money at it.

The root cause of this problem is often a lack of strategic planning. Many marketers simply do not know where their promotion opportunities lie and they are spending lots and lots of money to get there. Sound strategic planning beats spending money with reckless abandon every time — the record speaks for itself.

The role of consumer promotion has never been more important. Strong promotion programs are needed to take up some of the slack resulting from the diminishing effectiveness of other key elements of the marketing mix, which can be seen across many product categories:

**Product Parity** — An increasing number of product categories face more of a product parity situation today. New item introductions have fallen off dramatically since the early 1970's as economic uncertainty and the growing cost of capital have led to greater manufacturer caution. Product improvement and positioning initiatives have become harder to capitalize upon as competition keeps pace with those changes.

**Media Stalemate** — We are also in more of a media stalemate situation than we once were. Now that's an overstatement to be sure, but the point is that with more advertisers doing more advertising, it is far more difficult today for marketers to gain and maintain a major advantage over competition in terms of advertising reach and share of voice. Moreover, with the escalating cost of media, today's advertising dollar simply does not buy as much media as it once did and many marketers find themselves struggling to keep ahead of the threshold of awareness levels necessary to be effective.

**Copy Restrictions** — Advertising copy restrictions have also made today's marketing environment a lot tougher for many brands. Regulation of advertising claims, particularly advertising directed toward children, has increasingly restricted competitive advantages in the copy area.

**Price Pressures** — And of course price pressures have changed our marketing lives as well. Increasing competition from generics and private label

# TELEVISION By CHET BANDES

vp, director of media research,  
Doyle, Dane, Bernbach.



## Independent station prime time seasonal shares

The erosion of prime time network television share and ratings has been a leading topic reported by the trade press. The main factors causing a decrease in network television audiences

are growing competition from cable tv and independent stations. In addition to trends, seasonal patterns are also important to media personnel. I recently received an analysis on the seasonality of prime time station shares from the Association of Independent Television Stations (INTV). In this article I would like to report their findings and my comments on the INTV analysis.

A scheduling comparison was made of original versus repeat programming in prime time for Independent Stations versus Network Affiliates. A program was considered original only if it was being aired for the first time. The comparison covered two time periods: in-season, which is defined as September to mid-April, and out-of-season, which covers the mid-April to August period. The months of November 1981 and May 1982 were selected as being representative of in-season and out-of-season programming patterns. The tv markets selected were New York, Los Angeles, Louisville, Minneapolis-St. Paul, Norfolk and Tampa.

## Original vs. Repeat Programming Analysis (Prime Time Six Market Averages)

|                            | Original<br>(%) | Repeat<br>(%) |
|----------------------------|-----------------|---------------|
| <b>Average Affiliate</b>   |                 |               |
| November 1981              | 98              | 2             |
| May 1982                   | 61              | 39            |
| <b>Average Independent</b> |                 |               |
| November 1981              | 55              | 45            |
| May 1982                   | 65              | 35            |

The above table indicates an enormous drop in the percentage of original programming for affiliates from 98% to 61% between November and May. Independent stations exhibited an increase in the percentage of original programming from 55% to 65%.

The shift by affiliates to more repeat programming out-of-season has a dramatic effect on station shares. The other data is based on Nielsen daypart summaries for the four sweep periods between November 1981 and July 1982. One observes for each target that all the affiliate out-of-season (May and July) shares are lower than affiliate in-season (November to February) shares. The opposite is true for independent stations. They show a pattern of increasing shares during the out-of-season period.

One concludes that independent station shares are 25 to 50 percent higher in the out-of-season periods compared to February. Affiliates exhibit a slight decrease in May but average about a 15 percent decrease in July.

The INTV analysis highlights the seasonality in prime time station shares resulting from the greater usage of repeat programming by network affiliates during the out-of-season months. The key finding is the major increase in independent station shares during the out-of-season period.

INTV suggests the utilization of their projection factors to estimate May and July shares. This writer questions the use of these projection factors. The projection factors are six market averages. However, there are market to market differences resulting from the relative strength of the independent stations in each tv area. Also, the demographic target factors will vary by market reflecting differences in programming that are aired in each tv area.



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## BRAND REPORT 89: WINE

### How does the wine taste?

The wine flowed less freely last year, and pouring in 1983 won't be up much but wine advertisers are still pouring out the money. This year's expenditures will probably top \$300 million, climbing from 1982's \$294. Spot radio continues to be the vintner's favorite medium, with television close behind. Big question this year is how light wines will fare.

**1** 1982 was the year that the U.S. wine industry, rather than pop its cork, had to bite the bullet.

Economic conditions, still none too favorable, held growth of the wine market under two percent last year. The outlook for 1983 indicates the performance of the industry will be a little better.

But that deceleration is having scant effect on advertising budgets. Expenditures in 1982 came to \$294,758,100, 8.8% over the 1981 total, \$270,920,000. So even while wine

marketers were coping with hard times, they made certain that advertising budgets at least kept pace with inflation.

Overall trends show that imports, primarily from Italy, France and Germany, are expanding sales at the expense of domestic products from California and New York. Among the top 10 wine advertisers, five are imported brands, five are domestic.

When it comes to advertising, the top Italian imports are outdone by the giant U.S. vintners, Gallo, Taylor and Paul Masson. But with \$12.7 million



in media last year, Riunite set a blistering pace for its overseas competitors. Bolla and Cella, from Brown-Forman, had combined budgets smaller than Riunite's.

Media for wine tend to stay consistent over the years. Spot radio continues to get close to one third of total dollars, \$126.2 million, most of it from lesser brands that can't afford the heavy tariff of network television. Altogether, television collected \$143.6 million, \$87.3 million in network and \$56.3 million in spot.

Print gets second billing from vintners. Magazines took \$12.4 million, newspapers \$8 million, and outdoor, under \$2 million.

The outlook for the rest of 1983 is a continuing aggressive stance in media, while vintners cast a baleful eye on economic conditions, looking for the improvements that will make it easier for consumers to put a full wine bottle on the dinner table.

They are also attentive to rumblings from Washington, D.C., where the excise tax is casting a menacing

shadow on alcoholic beverages. Last year it was only tobacco that was hit with a doubling of the excise tax while alcoholic beverages were exempted. They may not be so lucky this year.

John A. DeLuca, president of the Wine Institute, San Francisco, says the sales roll-off hasn't come as a complete surprise. "Even before 1982, there was a strong consensus that we were not recession proof. In 1982, what really happened was, the recession caught up with our industry. But there were those who saw this coming and weren't surprised by it.

"My sense is that we're going through a period of consolidation following a period of spectacular growth. I think in the short term we're still going to face difficulties. My sense is that 1983 will be a continuation of the same forces of 1982. Per capita consumption is still tiny. The sense of dynamism for dining out, and above all a sense of wine with food, is really catching hold," DeLuca said.

As to whether the excise tax on alcoholic beverages will be increased

this year, the issue is once again on the legislative docket. Congressman Andrew Jacobs (D-IN) reintroduced legislation from last year that calls for increasing the federal excise tax on spirits for \$10.50 a proof gallon to \$16.50. The move is gaining strong support as a way of raising cash to lower anticipated massive federal deficits.

Such an increase would be passed along to consumers in retail price hikes, which would probably also have a dampening effect on purchase behavior.

Within the industry, there is some question as to the future of low calorie, less alcoholic light wines. Following introduction in late summer 1981, minimal growth has been noted by analysts who track the wine market. Thus far, only three vintners have taken the segment seriously: Taylor California Cellars, Almaden and Paul Masson. Gallo continues with a wait-and-see attitude, raising questions of wine quality and size of market.

*Market Watch*, from Shanken

## TEN LARGEST AMERICAN WINERIES — TOTAL WINE SHIPMENTS (millions of nine liter cases)

| 1982 Rank | Winery                                          | 1975  | 1980  | 1981  | 1982  | Percent Change*<br>1981-82 | Percent Change*<br>1980-81 | Growth Rate <sup>1</sup><br>1975-1980 |
|-----------|-------------------------------------------------|-------|-------|-------|-------|----------------------------|----------------------------|---------------------------------------|
| 1         | E. & J. Gallo                                   | 42.1  | 51.3  | 55.3  | 57.8  | 4.5%                       | 7.5%                       | 4.0%                                  |
| 2         | Heublein Wines <sup>2</sup><br>(R. J. Reynolds) | 24.8  | 22.1  | 21.2  | 20.2  | -4.8                       | -4.0                       | -2.3                                  |
| 3         | The Wine Spectrum<br>(Coca-Cola)                | 5.0   | 9.3   | 11.7  | 13.5  | 15.5                       | 25.3                       | 13.2                                  |
| 4         | Almaden (National<br>Distillers)                | 6.9   | 13.5  | 12.8  | 12.1  | -5.3                       | -5.3                       | 14.4                                  |
| 5         | The Wine Group                                  | 9.3   | 9.1   | 9.1   | 9.1   | —                          | —                          | -0.4                                  |
| 6         | Paul Masson<br>(Seagram Wine Co.)               | 3.9   | 7.4   | 7.8   | 8.1   | 4.6                        | 5.1                        | 13.7                                  |
| 7         | Canandaigua                                     | 6.2   | 6.2   | 7.0   | 7.5   | 7.1                        | 12.9                       | —                                     |
| 8         | Guild                                           | 5.9   | 6.3   | 6.5   | 5.5   | -15.6                      | 3.8                        | 1.3                                   |
| 9         | Monarch <sup>3</sup>                            | 4.3   | 3.9   | 4.0   | 4.0   | —                          | 2.6                        | -1.9                                  |
| 10        | Sebastiani                                      | 1.0   | 4.2   | 3.6   | 3.2   | -10.7                      | -14.4                      | 33.2                                  |
|           | Total Top Ten <sup>4</sup>                      | 109.4 | 133.3 | 138.8 | 140.9 | 1.5%                       | 4.0%                       | 4.0%                                  |

\* Based on unrounded data.

<sup>1</sup> Average annual compound growth rate.

<sup>2</sup> Formerly known as United Vintners.

<sup>3</sup> Excludes Tytell.

<sup>4</sup> Addition of columns may not agree because of rounding.

Source: IMPACT DATABANK

# SUPER SUPER SUPER

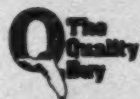
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**THE  
TAMPA TRIBUNE**  
Morning and Sunday



Represented by Sawyer Ferguson Walker  
Source: SBMM, Survey of Buying Power,  
July 1982

Site of the 1984  
**SUPER  
BOWL!**

Communications, projects light wine sales in 1983 at 4.1 million cases, up 28% from last year's 3.3 million cases. But the 1983 projection comes to less than four percent of the estimated domestic total for the year.

Light wines are entering their second full year on the market and in a position similar to light beer just after introduction. But just how much potential the light product has is open to question. Observers suggest it's too soon to tell, and that 1984 will be the decisive year when marketers can determine if repeat purchase is following trial.

Almaden has given substantial backing to its light, just over \$2 million last year, but not picked up much business (400,000 cases in 1982). Los Hermanos, on the other hand, spent \$1.1 million, sold 450,000 cases last year and expects to sell 750,000 cases in 1983.

Overall, the U.S. wine market still belongs to Gallo. Ernest and Julio shipped almost three times as much wine as their nearest competitor in 1982 while claiming 26% of domestic wine sales. Gallo shipped 137 million gallons while second place Heublein put 48 million gallons into distribution. Coca Cola's Wine Spectrum took third place with 32 million gallons, and Almaden fourth, with 29 million gallons.

Among imports, Riunite extended its domination of the market with a 6% increase in case depletions, putting 11 million into circulation in 1982. Closest competitor is Cella, with 2.8

million cases moved last year.

Imports showing some upward movement, although well down on the top 20 list are Canei, up 37% last year, Barbella, up 25%, Principato, up 42%, Black Tower, up 42%, and Partager, up 40%. But all together, they don't come to half of Riunite's 1982 total.

On a brand by brand basis, here's what the 1982 top wine spenders are up to in 1983.

## DOMESTICS

### E. & J. Gallo

If any one company seems impervious to economic circumstance, in fact, to anything but a re-enactment of Prohibition, it must be the winery founded by Ernest and Julio Gallo.

Building on its already substantial base, in the past seven years, Gallo has managed an average 4% growth rate. Gallo's 1982 volume increase, 5.9 million gallons, was the largest among domestics and accounted for 64% of the growth in the industry last year.

That certainly indicates Gallo's advertising dollars are well spent.

As usual, Gallo outspent its nearest competitor, Taylor, by nearly two to one. The \$26,026,400 Gallo put into media was 8.2% of the wine industry's total last year.

The \$22.6 million invested in network television made Gallo a pervasive presence there. But a low-keyed tasteful creative approach makes certain that pervasive is not abrasive. Gal-

### Top 10 imported wine brands

| Rank | Brand       | Case Depletions |            | Percent Change |
|------|-------------|-----------------|------------|----------------|
|      |             | 1981            | 1982       |                |
| 1    | RIUNITE     | 10,400,000      | 11,015,000 | 6%             |
| 2    | CELLA       | 2,690,000       | 2,785,000  | 4%             |
| 3    | FOLONARI    | 1,550,000       | 1,735,000  | 12%            |
| 4    | BOLLA       | 1,600,000       | 1,620,000  | 1%             |
| 5    | ZONIN       | 1,500,000       | 1,300,000  | -13%           |
| 6    | GIACOBBAZZI | 1,390,000       | 1,280,000  | -8%            |
| 7    | BLUE NUN    | 1,300,000       | 1,275,000  | -2%            |
| 8    | MATEUS      | 1,300,000       | 1,240,000  | -5%            |
| 9    | CANEI       | 900,000         | 1,235,000  | 37%            |
| 10   | YAGO        | 1,100,000       | 1,000,000  | -9%            |

Source: IMPACT DATABANK

lo's 30 second spots are probably the most mellow wine messages carried by the medium. With such weight on television (another \$2.9 million in spot tv) Gallo remains constant at the dispair of its competition.

The one place where Gallo is light contrary to expectations is in spot radio. While Taylor blitzes that medium, Gallo stays out, according to Radio Expenditure Reports. But then, the appeal is much more visual in

Gallo advertising, than it is aural.

#### Inglennook

This may be the year for Heublein's United Vintner's to reverse a long term sales decline, as its flagship brand, Inglennook, launches a new campaign based on extensive consumer research into how people use wine.

The campaign was created by Young & Rubicam, Los Angeles, and broke this Spring. Major copy theme for the new campaign is "The wine

that celebrates food."

Susan Pare, account executive at Y&R/L.A., said that basic research shows that the demographics for wine drinkers don't yield much actionable data: a profile of 25 to 54, college educated, and incomes of \$20,000 plus. So the agency and United decided to investigate how people interact with wine and how they used it.

People generally use wine with food, she said, but there is more than just one element in the purchase decision. There is also the aspect of social occasion and celebration. Consequently, the new Inglennook campaign focuses on this point.

"An example," she said, "is one commercial showing a wedding. The spokesman in the commercial is a chef and the groom is a friend of his. The wine here is used for toasting a social event. Wine is shown as part of the celebration."

The new commercial theme gets its major exposition on network television, Ms. Pare said. Spot tv is being used to boost frequency and penetration in strong markets.

The theme music for the commercial is being used in a spot radio campaign, with very little copy added, she said. The decision to use spot radio, which wasn't part of the buy last year, was made because of the perceived quality of the music composed for the tv commercial.

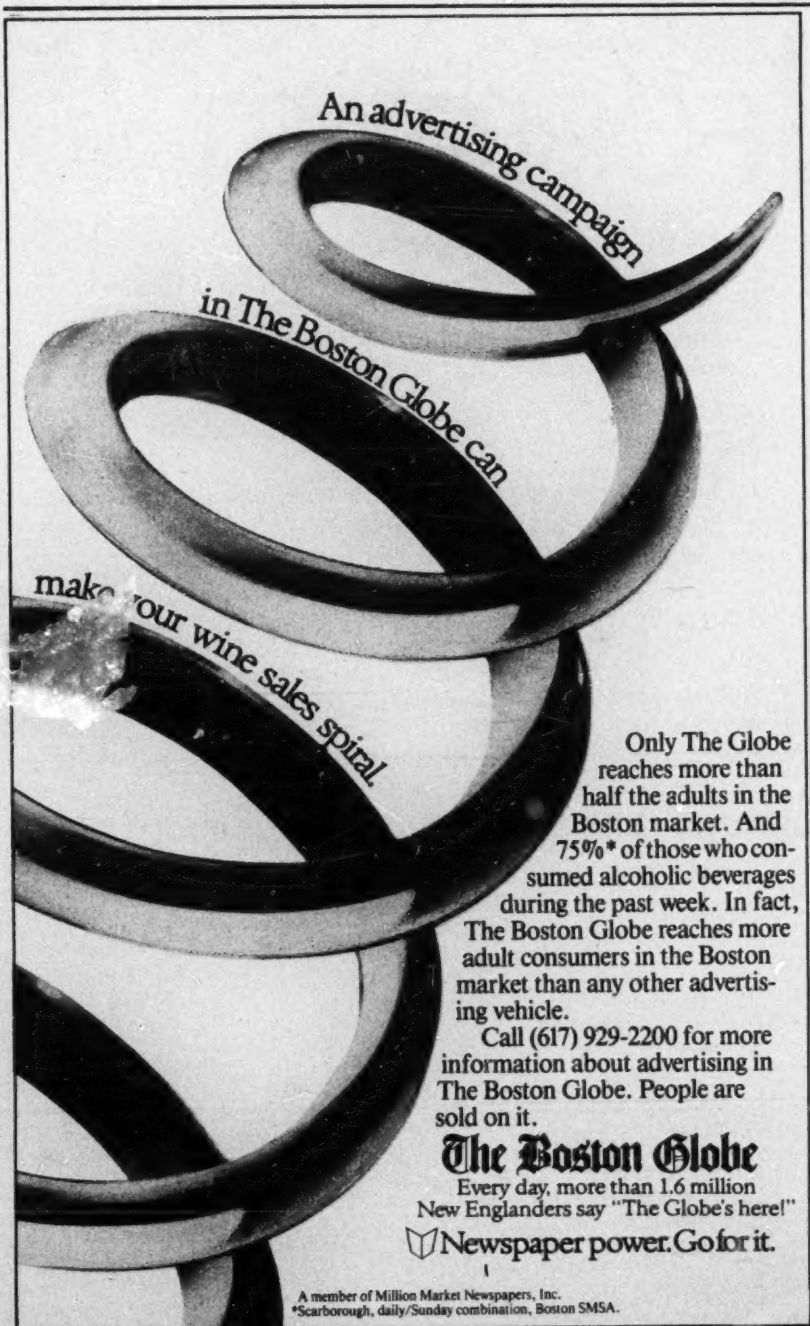
Magazines get less emphasis this year, and newspapers with wine and food sections are used on a selective basis, she said.

#### Taylor California Cellars

If there is a wine marketer that will provide long run competition for Gallo, it is most certainly Coca Cola's Wine Spectrum. The wine marketing arm of the huge beverage company has been the most aggressive in its use of media and copy among those who hope to achieve parity with Gallo.

The Wine Spectrum has had sales growth rate of close to 15% since 1975, and last year posted a 15.5% increase in cases shipped.

But The Wine Spectrum still has a good stretch of ground to cover before it overtakes Heublein wines, recently acquired by R. J. Reynolds, despite Heublein's faltering performance since 1975.



An advertising campaign  
in The Boston Globe can  
make your wine sales spiral.

Only The Globe reaches more than half the adults in the Boston market. And 75%\* of those who consumed alcoholic beverages during the past week. In fact, The Boston Globe reaches more adult consumers in the Boston market than any other advertising vehicle.

Call (617) 929-2200 for more information about advertising in The Boston Globe. People are sold on it.

**The Boston Globe**  
Every day, more than 1.6 million New Englanders say "The Globe's here!"

 **Newspaper power. Go for it.**

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\*Scarborough, daily/Sunday combination, Boston SMSA.



The Wine Spectrum's premier brand is Taylor California Cellars, which has been richly supported with advertising, both in terms of media and aggressive copy punch. Taylor stood the industry on its very polite ear three years back with a taste-test commercial, offending more than a few industry sensibilities.

Taylor still uses flavor as its key line in copy, stating, "Better wines. Judge for yourself."

Richard Theis, public relations director for The Wine Spectrum, said that despite a heavy broadcast schedule, some magazines are being used for Taylor this year. Last year, according to Leading National Advertisers, Taylor used no magazines at all, putting \$11.5 million in network tv, \$1.8 million in spot tv, and \$1.3 million in spot radio. Last year, Taylor outspent even Blue Nun in radio (Schieffelin disclosed in mid-June that it was discontinuing its television campaign and returning to radio with new creative executed by Stiller and Meara.)

Taylor is also giving extensive backing to its low calorie light wine. Copy states, "Great taste. We guarantee it." Taylor guarantees it with a \$3 refund offer if purchasers agree and a \$2 rebate if they disagree. Obviously, it pays to agree with Taylor. Rebate coupons are being carried in the brand's print executions.

Theis said Taylor is optimistic about the future for light wine. "We're real confident about our light wine. We think it has a future. There were some who thought it would bite the dust but we think it is going through the same cycle that low calorie soft drinks and beer experienced. We are encouraged."

While Theis declined to discuss budget, it's a good bet that The Wine Spectrum will increase its support for Taylor and work hard to wrest the number two vintner spot away from Heublein.

#### Paul Masson

This California winery had a good year in 1982, posting a 4.6% increase, raised its share of market to 3.8%. The performance was accompanied by a strong advertising effort that divided \$13 million between table and light wine.

Last year was also the last for the



**Announcing the great Taylor California Cellars Wine Rebate.**

**Now you can try a better wine and save \$1.00 at the same time.**

Wine expert after wine expert has said that Taylor California Cellars wines are better than their competition. Now you can judge for yourself and save a dollar, too.

With a rebate, we'll give you a \$1.00 rebate (and return your postage, too) on any of the 1.5 liter bottles of Taylor California Cellars wines listed below.\* It's the best way we know of to directly lower our prices to you.

Wine buyers have been taking advantage of offers like this in 32 other states, but Taylor California Cellars is the first winery to introduce this to California.

Just use the form below, so you know how to request your rebate, and we know where to send it. You'll not only discover a better tasting, better balanced, more elegant wine—but you'll put a dollar in your pocket, too.

**Taylor California Cellars Rebate**

Enclosed in the back label each bottle of Taylor California Cellars wine is a rebate coupon for \$1.00. To receive your rebate, simply fill out the coupon and return it to the address below. Please use only the Taylor California Cellars \$1.00 rebate and return this coupon.

Mail to: Taylor California Cellars, Wine Rebate, P.O. Box 548, El Paso, TX 79801

VOID

\*This offer is good on the following Taylor California Cellars products: Chardonnay, Pinot Noir, Sauvignon Blanc, Cabernet Sauvignon, Merlot, Zinfandel, and Chenin Blanc.

**Taylor Light wines use a refund coupon in newspapers and magazines to stimulate interest and spur trial. Television is also used extensively.**

massive presence of Orson Welles as spokesman for the brand. With change of agencies, the subsidiary of the Seagram's Wine company took another theatrical personality, John Gielgud, to state that no Masson wine will be sold before its time. So far, according to Masson officials, the reaction is posi-

tive, as Gielgud still has the rub-off from his role as the butler in the film "Arthur." The relief over no longer having to deal with Welles' legendary difficult personality is also evident.

Last year, Paul Masson media expenditures were totally in broadcast, and that pattern continues this year,

with adjustments in budget for inflation. Masson table wines spent three to two in favor of network tv over spot, while the ratio for light was 10 to one in favor of network.

Cable is being used on a limited basis and is made "as a straight cpm buy. We buy on networks which are audited that have at least a 1.5 or 2 rating. We're not using cable as a rifle shot," a company executive said.

The Seagram's Wine Company is quite optimistic about its Masson Light product. "There was a lot of euphoria about two years ago when it was thought light wine would take off over night. Now cooler heads are prevailing," another executive said. "Right now, light holds about 3 to 3½% of the market, and we think it will stabilize this year at about 3% and then take off from there."

The campaign for light features actress Donna Mills as spokesperson, using copy that states, "First we make it right; then we make it light."

The exclusive reliance on television, an executive said, results from the fact that "television sells and works fast." But costs of time and commercial production are beginning to weigh heavily at Seagrams as it does on so many other well financed advertisers.

Print, as an alternative, is definitely in the future plans for the brand, *Decisions* was told.

#### Almaden

After six years of sustained growth, National Distillers' Almaden brand took a tumble in 1981 and continued to slide last year. Although Almaden is outspent by Taylor, Paul Masson and Gallo, a low spending profile seems an unlikely cause for the brand's deficit performance in the past two years.

Spending from 1980 on has been in keeping with the previous pattern and has increased at least by the rate of inflation. But last year, Almaden backed two brands: its light as well as its table wine. The investment in the light product was the least of California's three backers of low calorie wines.

Creative is particularly romantic in tone. The approach is personalized. "We know you," the copy line states. It takes a while before Almaden wine comes into the conversation. The performance and the campaign raise a question of whether or not the creative approach is too lowkeyed for the competitive tenor of the times. The emphasis is on setting and moment, while pushing the product and brand name into the background.

The industry prognosis for Almaden's light wine is no better than its overall performance has been in the past two years. *Marketwatch* predicts a 25% drop in the brand's light wine sales, from 400,000 cases last year, to 300,000 cases in 1983. The ad budget for light wine came in at just over \$2 million last year.

#### Imports

##### Riunite

Fortunately for Ernest and Julio Gallo, Villa Banfi is concerned

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From the Central States to the Northeast you can grab the growing market potential of small-town America. With virtually no circulation or demographic overlap between our two publications. At an attractive combo rate.

Matrimony has never been like this. With advertising opportunities as unique as this! Grit and Capper's Weekly. Together. Part of the family of the National Media Division of Stauffer Communications, Inc.

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primarily with the marketing of the Italian import, Riunite. This inexpensive brand has been positioned as a beverage rather than exclusively as a wine, and has an even greater lead over its competition that Gallo does in the domestic field.

Last year Villa Banfi moved over 11 million cases of Riunite, four times more than its nearest competitor, Cella. Moreover, Riunite managed a 6% increase on its already overpowering base. The brand holds 24.4% of the whole imported table wine market in the U.S.

Frank Gentile, senior vp, Villa Banfi, has commented, "Up until last year we were still opening up new distribution channels. Today we have broad based distribution and our business is coming from new wine drinkers and from our competition."

Advertising expenditures for Riunite are the greatest for any import brand, totaling \$12.8 million last year. Of that, \$11.7 million went into network tv, and less than a million into spot tv.

The major thrust this year for Riunite is the introduction of D'Oro (gold) which rolls out in early summer. Television and radio are the immediate vehicles for this new variety, with print, primarily magazines, to follow.

Marketing director Nicholas Salimbene, Villa Banfi, U.S.A., said the company is optimistic about sales po-

tential for 1983. He spoke humorously about 13 to 14 million in case depletions and may not have been kidding.

Media expenditures for 1983, he said, "have been substantially increased." An educated guess would suggest that Villa Banfi will be spending \$14 million range this year, again mostly in television, with some print support for the introduction of D'Oro.

Salimbene said he expects the name to be taken as gold as the product gets into national distribution.

#### **Bolla & Cella**

A distant second to Villa Banfi's Riunite, Brown-Forman's Italian import Cella continues to grow but not at a rate that can provide any hope of winning the number one spot. And the other B-F brand, Bolla, lost third place to Folonari.

Last year, B-F spent \$12.5 million on both brands, moving a total of 4.4 million cases, just under what Banfi spent to move 11 million cases of Riunite.

However, 1983 may prove to be a better year for these brands, as Bolla moves into Brut, a dry sparkling wine. Apparently, the Lambrusco craze has passed and diversification into other wine types is necessary for continued market expansion. Despite gains in case shipments, both brands lost market share.

It is also that positioning that is re-

sponsible for the entry of Bolla into the sparkling wine category. One long term industry observer said the Joseph Garneau Company, B-F's importing group, made the move for two reasons: 1) Sparkling wine is a growing and profitable category, and 2) the cost of entry is not prohibitively high.

Market studies done by Garneau Co. indicated that Bolla drinkers were already buying someone else's sparkling wine. The conclusion was that Bolla could make that move without cannibalizing its existing lines.

Cella is aimed at a younger, down-scale audience, for which television is deemed the most efficient media choice. Consequently, where magazines are a good choice for image building with the Bolla brand, the fierce competition with Riunite demands a heavy investment in television to maintain presence.

#### **Black Tower**

This brand is an example of what can be done with a distinct image and a substantial media budget to build impressions. This Seagram's wine company brand made its big push in 1981, when it invested \$7.2 million in advertising, \$6.6 million in network tv. The year before, 1980, the budget had been a mere \$1.5 million.

Last year's budget was \$4.4 million, and that effort pushed case depletions from 300,000 to 425,000, a 42% in-

### **Media expenditures for top wine advertisers in 1982**

| Brand       | Total        | Magazines  | Network tv   | Spot tv     | Spot Radio  | Newspapers |
|-------------|--------------|------------|--------------|-------------|-------------|------------|
| Gallo       | \$26,026,400 |            | \$22,624,100 | \$2,945,000 |             | \$475,000  |
| Taylor      | 14,774,000   |            | 11,553,600   | 1,788,700   | \$1,432,600 |            |
| Riunite     | 12,797,300   |            | 11,738,900   | 802,200     | 40,200      | 216,000    |
| Almaden     | 7,443,000    | \$ 401,000 | 6,240,500    | 761,500     |             | 40,000     |
| Ingleneek   | 7,430,000    | 386,000    | 5,293,300    | 1,716,700   |             | 33,800     |
| Bolla       | 6,564,700    | 1,043,000  | 3,299,400    | 1,876,700   | 27,600      | 387,400    |
| Paul Masson |              |            |              |             |             |            |
| Light       | 6,315,900    |            | 5,724,600    | 591,300     |             |            |
| Paul Masson | 6,141,200    | 135,100    | 3,801,700    | 2,161,100   |             | 43,300     |
| Cella       | 5,884,100    |            | 3,568,400    | 1,974,500   | 202,000     | 139,200    |
| Black Tower | 4,391,800    |            | 4,228,300    | 103,000     |             | 59,500     |

Source: Leading National Advertisers, Media Records, Radio Expenditure Reports.



crease. Media for the brand continues to be basically network tv with a smattering of spot thrown in to match media weight with distribution.

Creative certainly has medieval overtones and imitations of Sir Walter Scott's "Ivanhoe." The white wine in the black bottle. Picnicking couples cavorting by a meadow stream.

Seagram's officials indicate they are very gratified by the brand's performance. "The national introduction exceeded its goals," one marketing executive commented. Creative makes a highly visual claim for the product.

Essentially, the brand is positioned against Blue Nun, which has been losing share lately. But Black Tower must make up a deficit of about 900,000 cases to overtake Blue Nun.

Perhaps only a company as well financed as Seagram's could afford a network television roll-out for a new brand, but regardless, Seagram's, goes for tv for two specific reasons: 1) It's very difficult to get a 50 case stacking in a liquor store or supermarket without a solid and impressive media plan, and 2) "television sells like crazy."

Another Seagrams' brand looming on the import horizon is Partager, an inexpensive French wine introduced to the U.S. two years ago. Last year's media budget of \$3.5 million pushed Partager from 300,000 case depletions to 420,000, a 40% increase. It is already the largest selling French wine in the U.S.

So far, spot tv has been the base medium for the brand, with a bit of newspaper in markets that feature wine sections in local papers.

Seagram's believes Partager is just on the start of its sales growth and has enormous potential.

## Conclusions

Beverage analyst John Stacy, in his extensive study of the wine market, sees a need for greater marketing expertise. He also suggests a focused approach rather than the umbrella method, would serve wine marketers best.

"Although the 'umbrella' brand marketing approach has its own compelling reasons and traditions, it is important to contrast it to the more fo-

cused approach employed by most important brands in sharp, clear image marketing.

"Having achieved excellence in the two 'key elements of wine', growing and making, it is time for the industry to direct its efforts in the third element — marketing," he said.

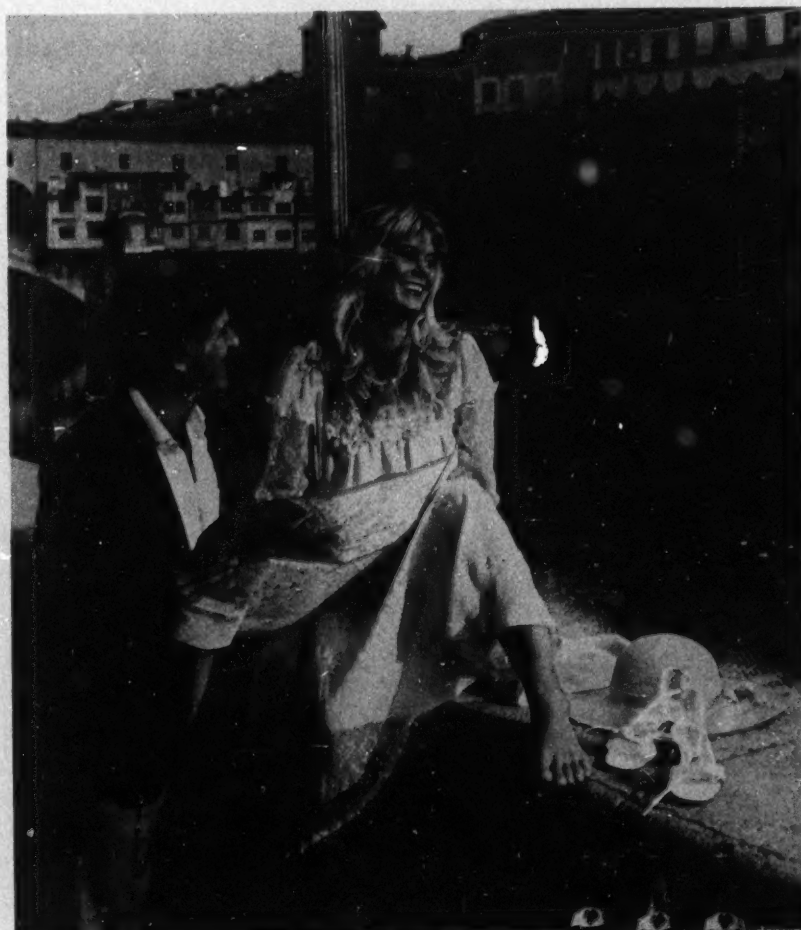
He also advocates what he calls a "dedicated brand" approach, limited to one product type or a few related ones, such as Tribuno Vermouth and Dubonnet Apertif.

Vintners at best, hope to hold their own in 1983, but despite a still recov-

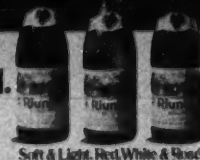
ering economy, some brands will show momentum. No one will be surprised if Gallo, Taylor, Paul Masson and Riunite again post gains. Overall, another two percent growth year may be expected.

The Wine Institute's John DeLuca said it best. "It is really not helpful for an industry to engage in either self-delusion or self-deception about what it faces. There is no way that the American wine industry can prosper while the rest of America is not. We are inextricably bound."

*Fred Gardner*



Riunite...like love it's pure and natural.

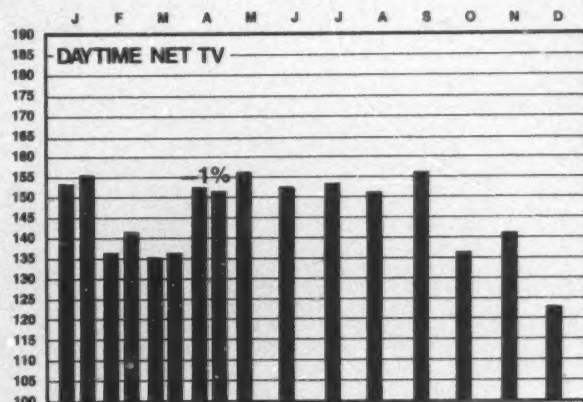
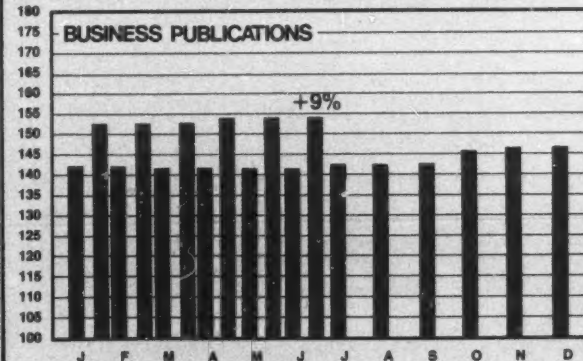
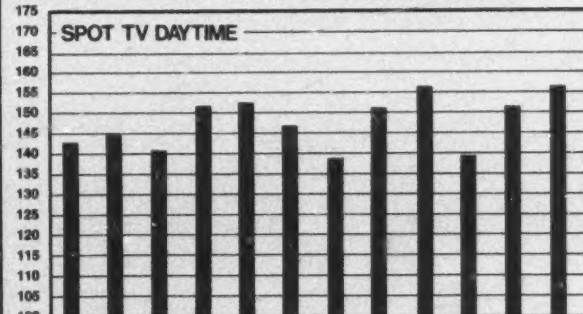
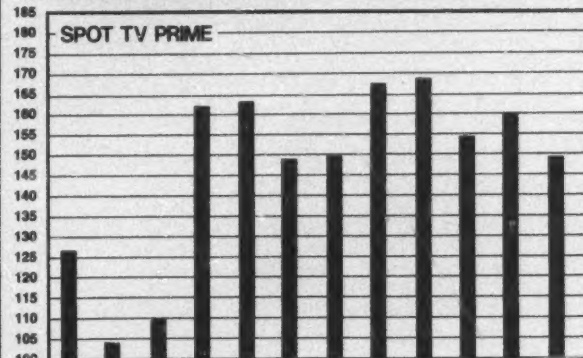
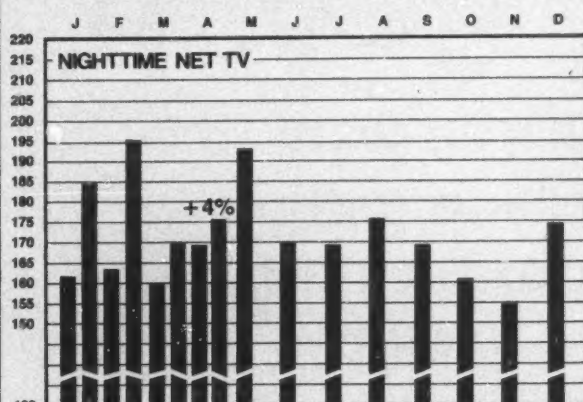


Scott & Light, Red, White & Rose.

Riunite uses four color depictions of romantic situations to project brand image, as well as a series of cartoons in magazine executions.

# MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977



New information on Cost Trends wasn't available at press time. The charts will be updated in the September issue.

The Cost Index shows comparative data for nighttime network and daytime tv, magazines, newspapers, supps, network radio and outdoor posters. Data for spot prime tv, spot daytime and radio are still unavailable.

Nighttime network tv leveled out even further in April than it had the month before, bringing a halt to the disparate fluctuations that had marked the beginning of the third quarter. The four percent increase demonstrated a further softening of the market, which began to flatten out in March.

The flatness that afflicted the daytime network tv market in March continued as another one percent increase was posted for April. And the pattern remains constant with that set in 1982.

Consumer magazines and business publications maintained stability in pricing, duplicating March's six percent pricing advance over the previous year.

Daily newspapers held constant in April and maintained a ten percent increase over the same month a year ago.

National supplements also show stability as the 11% gain noted in March held constant in April.

The Media Cost Index reflects trends extracted from available sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled.

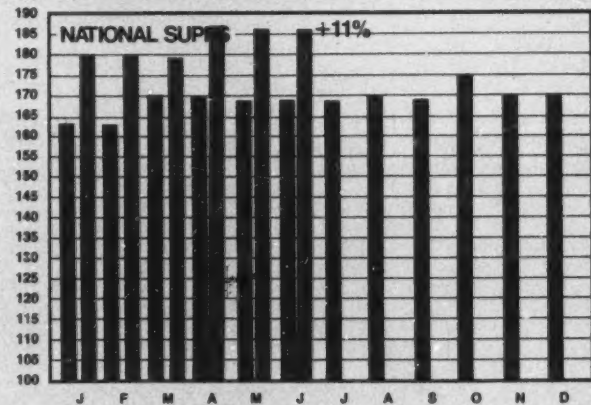
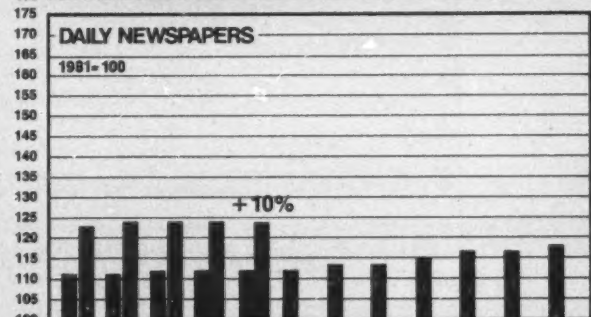
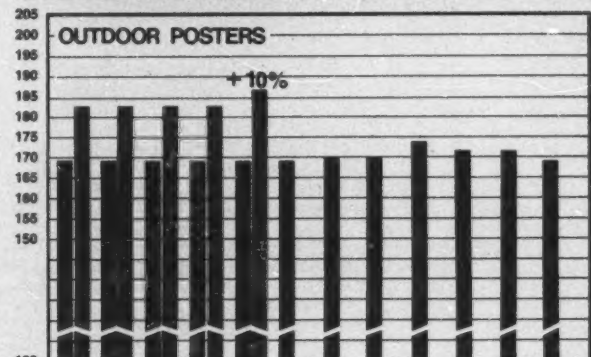
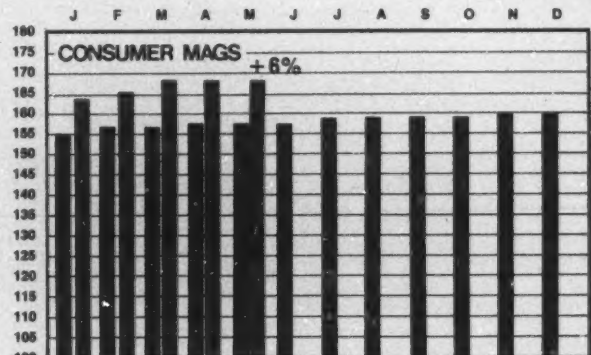
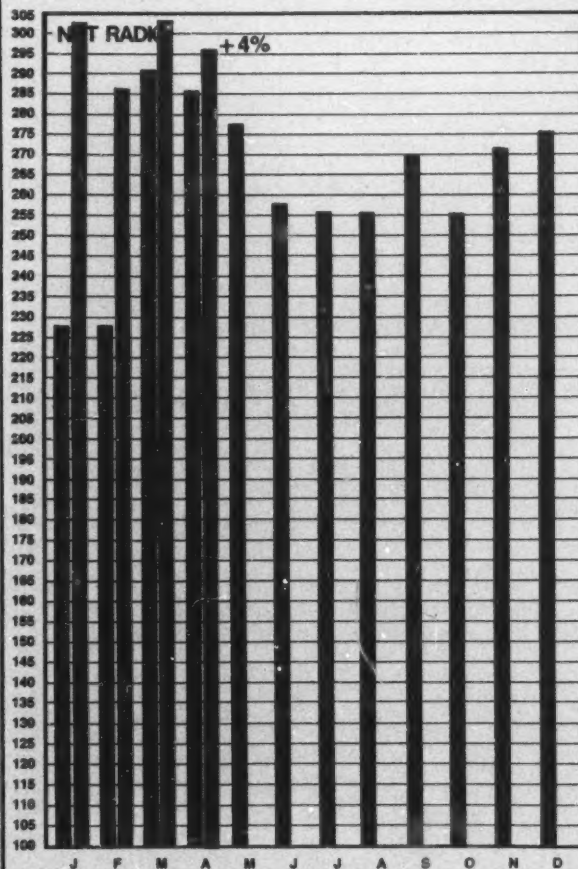
Sources: **Nighttime Network TV** — Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service. **Daytime Network TV** — Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service. **Network Radio** — Cost per average 30-second radio announcement from BAR's Network Radio Service. **Spot TV — prime and daytime** — Cost per 30-second spot, Monday-Sunday from BAR's Spot TV Service.

Consumer Magazine estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn. **National supplements** estimate based on published (rate cards) costs of a page, four-color for the national supplements. **Daily Newspapers** estimate based on Newspaper Advertising Bureau report of SRDS costs per page line of a sample of 788 newspapers weighted to represent the universe. **Business Publications** estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications. **Outdoor Posters** based on estimate prepared by Institute of Outdoor Advertising. Spot Radio data to develop a continuing index are not available at the present.

How to read: Media Cost Index reflects latest available costs compared with base year 1977. Percent change shows rate of change from the same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1982; color bars 1983; base year 1977





SEPTEMBER 1983 • \$3.00

MARKETING &  
MEDIA

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CONGRESSIONAL INF SVC  
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# THE NEW ELECTRONICS

## Cable's effects below the surface

Allen Banks, Dancer Fitzgerald Sample executive vp and media director, has noted some subrends as a consequence of cable viewing, he recently told the National Cable Association. He cited "audience fragmentation as today's major television trend."

He noted that this fragmentation, a by-product of the success of cable television, has led to five subrends which directly affect how and where ad agencies place their advertising dollars. They are:

- Specialization. Cable networks are becoming more adept at identifying what viewers want to view and providing the opportunity for people to watch what they want, when they want.

- Tailor-made shows. Advertisers are investing in specific programming ideas with cable operators, ideas that they believe will provide good environments for their commercials and generate a large enough audience to offset program costs.

- Sports. They are becoming much more a regional programming opportunity and less a national one. Regional sports cable channels present advertisers with an opportunity to reach the upscale male within an excellent environment.

- Dual revenue streams. Recent experiments seem to indicate that people will accept commercials at logical breaks and still pay to see the programming, especially if commercial support means that subscriber fees will not be increased.

- Zapping. A negative of audience fragmentation is the fact that people can avoid commercials they want to by a mere touch of their remote control channel changer. Agencies are trying to learn as much as possible about this disturbing trend.

## Never mind 1984, watch out for 1993

The year when cable penetration is expected to reach 60% is 1993, according to industry analyst Paul Kagan. By then, there could be as many as 104 million pay cable subscriptions for such services as Home Box Office, Show Time and other pay services.

Combined revenues from all cable sources, he indicates in his report on cable's probable future, may approach \$32 billion, as compared with just over \$6 billion in 1983.

### HERE IS A SUMMARY OF KAGAN'S NEWEST PROJECTIONS:

| At year-end                                     | 1982   | 1983   | 1985   | 1990   | 1993    |
|-------------------------------------------------|--------|--------|--------|--------|---------|
| Cable TV subscribers (millions)                 | 27.5   | 31.7   | 41.2   | 56.8   | 59.8    |
| Pay-cable subscriptions (millions)              | 20.8   | 26.9   | 42.3   | 83.8   | 104.4   |
| Homes passed by cable (millions)                | 49.5   | 55.5   | 67.5   | 82.5   | 85.5    |
| Total cable TV revenue (all sources — billions) | \$ 4.7 | \$ 6.2 | \$10.2 | \$23.1 | \$ 31.8 |

© 1983 CABLE TV INVESTOR. Estimates of Paul Kagan Associates, Inc., Carmel, CA.

In his look-ahead, Kagan foresees the average cable subscriber paying more than twice this year's \$17 per month. But he will receive triple the number of program services. "Cable tv prices don't keep pace with inflation," Kagan notes. "but by selling more services to more subscribers, the cable operator can still profit. The unique set of circumstances is making cable look like a bargain, even at higher prices per single level of service."

## Ethical drugs take to cable

Advertising for ethical drugs, until now confined to the medical journals and the medical trade press, takes a step into electronic media with a schedule on cable through a purchase

on the Cable Health Network's new Professional Program Series.

The purchase by eight pharmaceutical companies represents the first regular use of television for advertising directed exclusively to physicians. The participating sponsors are: Ciba-Geigy Corp., Dupont Pharmaceuticals, Ortho Pharmaceutical Corp., Parke-Davis Division of Warner Lambert Co., Pfizer, Inc., G.E. Searle & Co., E.R. Squibb & Sons and Syntex Laboratories, Inc.

The program *Physician's Journal Club*, was telecast once a week during

summer and gets four plays per week starting in September. There are eight commercial minutes per hour.

Special research is being conducted by CHN to determine the effectiveness of the cable ethical advertising. The Food and Drug Administration notified CHN that it is "pleased that CHN has agreed to evaluate the impact and effects of prescription drug advertising. We applaud your intent to air only those commercials that have been approved by the CHN review board."

The CHN Professional Program Series is being promoted to the medical community through advertising in medical journals and a direct mail campaign to doctors and hospitals. Nielsen estimates 120,000 physicians will have access to the CHN programs between now and June 1984.



# THE NEW ELECTRONICS

(from 50)

## Agribiz seeks videotex lashup

Three of the nation's larger farmer cooperatives and Videotex America are discussing a joint operation of a national agribusiness videotex service. What is on the drawing board is a U.S. version of the Grassroots agribusiness videotex service operating in Manitoba, CN.

Cooperatives involved in the negotiations are Agwar, Inc., a 110,000 member-stock-holder organization serving 12 northeastern states, CENEX, Farmers Union Central Exchange, serving 1,600 local cooperatives in 15 midwestern and northwestern states, and Southern States Cooperative, serving 137,000 farmer members in the five states in the upper south.

The videotex service uses color and graphics to bring the farmer frequently updated information on weather and commodity market prices at a relatively low cost.

The Canadian version, Grassroots, was launched by Infomart, a Canadian videotex service, in 1981, and provides a full information service to Canadian farmers, including farm equipment programs, electronic mail and shopping services.

## Cable penetration just shy of 40%

The number of cable tv households in the U.S. continued to grow this summer according to new data from the A. C. Nielsen Co. The July estimate places the number of cable households at 32,930,140, including Hawaii and Alaska, and penetration at 39.3%.

The latest ranking shows New York continuing in the lead with over two million households wired. The top 25 designated market areas ranked by cable tv households are:

| Rank | Designated Market Area    | Cable TV HHs July '83 |
|------|---------------------------|-----------------------|
| 1    | New York                  | 2,020,890             |
| 2    | Los Angeles, Palm Springs | 1,195,510             |
| 3    | Philadelphia              | 947,030               |

|    |                                |         |
|----|--------------------------------|---------|
| 4  | San Francisco-Oakland          | 938,660 |
| 5  | Pittsburgh                     | 694,490 |
| 6  | Boston, Manchester, Worcester  | 612,550 |
| 7  | Cleveland                      | 527,380 |
| 8  | Seattle-Tacoma                 | 519,160 |
| 9  | Houston                        | 494,930 |
| 10 | Chicago                        | 489,150 |
| 11 | San Diego                      | 440,170 |
| 12 | Dallas-Ft. Worth               | 438,100 |
| 13 | Detroit                        | 397,320 |
| 14 | Tampa-St. Petersburg, Sarasota | 391,250 |
| 15 | Miami-Ft. Lauderdale           | 390,810 |
| 16 | Hartford & New Haven           | 387,360 |
| 17 | Atlanta                        | 380,850 |
| 18 | Buffalo                        | 346,540 |
| 19 | Indianapolis                   | 316,570 |
| 20 | Wilkes Barre-Scranton          | 314,970 |
| 21 | Orlando-Daytona Beach          | 302,630 |
| 22 | San Antonio                    | 302,370 |
| 23 | Charleston-Huntington          | 294,480 |
| 24 | Columbus, OH                   | 286,460 |
| 25 | Kansas City                    | 279,760 |

## Pay music cable has potential

Bill Harvey, media prognosticator and publisher of the *Media Science Report*, believes there is a potential market for pay music cable. In a recent issue of the newsletter, he observes, "Video music has not yet been attempted in a pay mode. And yet, MTV, with high viewership and satisfaction is finding it arduous to profit on an advertising supported basis, suggesting that video music may in the long run be suited to pay, and may be much more profitable that way."

"The average American listens to the radio for two and one half hours per day, exceeded among media only by television at over four hours, but far ahead of magazines at 20 minutes a day, and newspapers at 15. Pay programmers have possibly overlooked the extent of music demand."

"Just as tv viewers were found to have a desire for commercial-free (non mood breaking) viewing, a similar phenomenon in radio is obvious. In fact, this is why people generally listen to recorded music: to avoid mood-breaking radio commercials."

"Where cable radio with commercials has been made available for a

couple of dollars per month, it is rolling out. If similar feeds were made available without commercials and with video for higher prices, they would probably also succeed."

"Interestingly, there are about 10 radio music types that could potentially be a pay video music network someday, including rock, middle-of-the-road, country, black/urban contemporary, beautiful music, classical, Spanish, nostalgia, and jazz. Ten non-redundant money-making pay tv networks may be more than cable operators can visualize right now, but these types are making money in radio right now."

Harvey also suggests that instructional cable could be another pay source. "Another pay type which QUBE and videocassette distributors have pretested to some extent is instructional. At some point a 24-hour pay 'How to' channel might be viable, offering telecourses at of some value, perhaps with college credits. Consumers are surprisingly eager to learn but programmers have yet to learn how to make learning consistently fun. There is an opportunity here for programmers who like a challenge."

The collapse of The Entertainment Channel, he suggests, "should not be taken as a negative indication for Broadway and Off Broadway shows as a pay tv programming format, since these were a minor percentage of the TEC program hours."

## Financial News Network base up

Financial News Network is adding to its subscriber base and expects an additional three million homes by September, to bring its cable base to about nine million. According to Arnie Rosenthal, vp, marketing and affiliates, "a major factor in this enthusiastic response of cable operators to FNN has been our announced schedule expansion to a 12 hour broadcast day." FNN commenced its 7 a.m.- 7 p.m. broadcast schedule on July 18.

# How to nail down do-it-yourself

Although housing starts are beginning to pick up, the do-it-yourself trend in home improvement will not slow. Women are learning how to repair leaky faucets, and everywhere there is renewed respect for those who can work with their hands. As the market has sprung up during the recession, so have the media that specialize in home improvement projects.

**H**arvey Hackit has come out of the woodwork. The creature created by Lowes Corp., a major home remodeling retail outlet, has helped to spawn a new era in home improvement.

Harvey, an animated cartoon figure starring in Lowes' television and print ads, speaks to the growing ranks of do-it-yourselfers, who strapped by inflation, high interest rates and unem-

ployment, haven't been able to afford a professional contractor to give the house a spanking new look.

Harvey even encourages the clumsy plodder. Though the neighbor down the street may amuse himself with realigning the plumbing to install a washing machine, Harvey says that even the reluctant can make his own seemingly impossible home improvement task bearable. He can put in a faucet with a twist of the wrist. He can install a garage door opener alone.

Harvey did not exist twenty years ago. There was no need for him. The recession had not come and consumers weren't frantically searching for ways to avoid a \$200 plumbing bill.

But today, nearly 75% of America's households are involved in some kind of home improvement project, be it interior painting, repairing electrical switches, weather stripping or insulation, according to the Do-It-Yourself Research Institute in Indianapolis.

It's not only advertising mascots like Harvey's and \$200 plumbing bills that have stretched this new market like elastic. Consumers have not been able to afford new homes. Housing starts suffered more than they had since World War II.

Since December, however, housing starts have risen steadily. The number of newly constructed homes rose most

sharply in the spring, jumping 19.5% from April to May. But in June, housing starts declined 2.9%, according to a report by the Commerce Department. Although the government agency is still predicting that housing starts will continue to hold ground, several leaders of home building associations warn that if interest rates start to inch up again, the recovery could be short-lived.

But even if the housing industry recovers, the do-it-yourself market has become so firmly entrenched that it will not lose out, say several marketing experts. The Do-It-Yourself Research Institute predicts that while more homeowners may not engage in do-it-yourself home improvement, those lightly involved will become more serious. It notes that women are showing increased interest in tinkering around the home.

In addition, there is a growing respect for those who can not only work with their heads, but with their hands as well.

Another sign that the do-it-yourself market will continue to prosper is that as interest rates on home improvement projects drop, people are dreaming less about moving into a new home and are undertaking projects to improve their current dwellings. The type of projects being undertaken also has become



## Leading Advertised Brands • 1982

| TOTAL                               | MAGAZINES | NEWS SUPS | NET TV    | SPOT TV   | NET RADIO | OUTDOOR | NEWSPAPERS |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|---------|------------|
| Owens-Corning<br>\$9,184.9          | \$765.6   | \$248.5   | \$5,431.4 | \$2,143.7 | \$275.3   | \$3.8   | \$1,627.7  |
| Stanley Works<br>3,275.1            | 901.6     | —         | 2,348.7   | 24.8      | —         | —       | 95,842     |
| Delta & Peerless Windows<br>3,796.0 | 494.5     | —         | 3,064.4   | 237.1     | —         | —       | —          |
| Pella Windows<br>1,261.3            | 1254.4    | —         | —         | 6.9       | —         | —       | 23,106     |
| Black & Decker<br>3,076.4           | 700.4     | 181.9     | 1,970.0   | 224.1     | —         | —       | 387,276.0  |

## Breakdown of media dollars by do-it-yourself marketers (000) — 1982

| TOTAL       | MAGAZINES  | NEWS SUPS | NET TV     | SPOT TV    | NET RADIO | OUTDOOR   | SPOT RADIO | NEWSPAPERS |
|-------------|------------|-----------|------------|------------|-----------|-----------|------------|------------|
| \$166,380.3 | \$40,621.4 | \$4,135.2 | \$51,180.3 | \$38,247.8 | \$3,546.2 | \$1,003.5 | \$11,452.4 | \$16,194.0 |

Source: Leading National Advertisers, Media Records and Broadcast Advertiser Reports.

more complicated as the market expands, several experts note.

Marketers of home building and remodeling supplies have undergone a rapid transformation as do-it-yourself has become fashionable. Previously, they advertised in the trades to professional contractors.

But as the economics of home ownership have changed, so have the way they have marketed. Many of those marketers keen enough to sniff out the do-it-yourself trend have launched massive consumer advertising campaigns to reach this new market.

As this market has matured, catering to the home improvement market has prospered. *The Family Handyman*, published by Webb Co., has grown in circulation from 540,000 to 1.1 million in five years, reaching out to homeowners actively involved in improving and maintaining their property. *New Shelter*, published by Rodale Press, was launched in 1980 with a circulation of 225,000 but currently goes to 650,000. *Sunset* magazine has increased the editorial cover-

age of do-it-yourself home improvement projects. *Better Homes and Gardens* has added a special publication published each September, *Remodeling Ideas Do-It-Yourself Home Improvement and Repair*. *Homeowner's How To*, recently sold to Family Media, should become a monthly in November. *Mechanix Illustrated* has concentrated editorial efforts more intensely on the do-it-yourselfers. And *Workbench*, published by Modern Handcraft with a circulation of 850,000, thrives on the growing interest among do-it-yourselfers. *Popular Mechanics* has noted the increased interest by presenting more professional photographs and drawings on home improvement projects.

Marketers have learned how to sell to people who don't know how to use their products. Most advertising campaigns have relied on remodeling magazines to explain and show in detail how home improvement projects can be easily done by the novice. However, those marketers with price-oriented messages have commonly turned to newspaper supplements,

often supported by radio. A few have resorted to television, reasoning that they will stand out as one of the limited number brave enough to advertise a faucet on prime time.

At most home rebuilding supply manufacturers, the do-it-yourself part of the business is the fastest growing.

"There is no question that the do-it-yourself market is becoming more important. We have always pursued all markets but it's been necessary to go after this market more strongly," says Ray Koenigs, advertising manager for Pella Windows, where sales of its high quality windows have been ahead of forecasts despite the recession.

General Electric, aware of the do-it-yourself trend, has capitalized on it by developing advertising programs that encourage do-it-yourself renovators to phase in remodeling of the kitchen. It also has spent a considerable amount to advertise "Quick Fix," a series of books instructing homeowners how to repair their own appliances. GE introduced "Quick Fix" in 1981, after research showed that 40% who own major appliances



have done or are planning some kind of repair.

Georgia Pacific, the leading building materials supplier, has found ways to talk to the consumer although it has been difficult, says Alan Thielemann, director of marketing communications.

"One of the problems we have is that we have mostly commodities which can't be identified by the consumers as ours," says Thielemann. Panelling, however, is a proprietary product. Thielemann runs at least two major consumer promotions on panelling during the year, backed by Sunday supplements and network radio.

To help build brand awareness, Georgia Pacific also publishes *Great Possibilities*, a consumer woodworking magazine distributed at dealerships. The magazine has a circulation of nearly 2 million.

SME Corp., manufacturer of Crestline Windows, began its first consumer advertising in 1981, even though it recognized that most homeowners still hire professional contractors to install windows.

But advertising to the do-it-yourselfers is still important, says vp, marketing, Richard Vetter, because the homeowner has become more sophisticated and generally specifies the brand.

Peerless Faucet has the distinction of being the only manufacturer to advertise both a professional and consumer line of faucets on television.

"We began advertising Delta, our professional line, on television ten years ago," says Dick Ryan, director of advertising. "Even though it is a low-interest commodity, the results were excellent."

"We find that people buy or recommend the first faucet that comes to mind. Because there are no other faucet manufacturers on television, our brand awareness is really high," says Ryan.

Now Peerless, the consumer line, also uses television, running in flights during the spring and fall with heavy sports programming. The Peerless ads stress that the faucet can be installed without any tools.

Stanley Products also has been developing easy-to-use products. It now packages plumbing tools with instructions. And recently, Stanley invited consumers to try to install their own garage door openers. Those with difficulties could call an 800 number for directions.

According to the Do-It-Yourself Research Institute, the most commonly tackled home improvement projects are interior painting, weather stripping, exterior painting, minor electrical repairs, insulation and replacing bathroom fixtures.

The do-it-yourselfer is likely to be male, married and an average age of 42. He is most likely to fall in the \$20,000 to \$30,000 income category. As income goes up, the number of do-it-yourselfers drops off.

Attitudes of the do-it-yourselfers are also extremely important to marketers. The Research Institute has categorized the market into five categories.

The first group is labeled the

Continued on page 122

### Consumer attitudes toward do-it-yourself home improvement and repair activity in 1982

Percent of do-it-yourself consumers who strongly agree with statement

Selected attitude statements

|       |                                                                                                           |
|-------|-----------------------------------------------------------------------------------------------------------|
| 80.1% | Spending to increase value of one's home is a good idea.                                                  |
| 84.6  | The appearance of your home tells other people a lot about you.                                           |
| 70.9  | I think of the place I am living in now as a permanent home.                                              |
| 64.2  | I take on do-it-yourself projects because of the cost-savings.                                            |
| 74.9  | I get satisfaction in doing do-it-yourself projects.                                                      |
| 55.8  | I have the time to do do-it-yourself projects.                                                            |
| 76.4  | I think the cost of professional labor is too high.                                                       |
| 52.1  | It is difficult to find professionals willing to do small fix-up jobs.                                    |
| 76.9  | When minor repairs are needed it is usually better to do them yourself than have professionals do them.   |
| 58.4  | If easy-to-follow instructions were available, I would be more willing to tackle do-it-yourself projects. |
| 27.5  | Information is easy to find on do-it-yourself projects.                                                   |
| 55.6  | I have more self-confidence about do-it-yourself projects than do most people.                            |
| 28.4  | My neighbors or friends come to me as a source about do-it-yourself projects.                             |
| 36.6  | I feel more confident about my ability to do-it-yourself than I did 12 months ago.                        |

Source: Do-It-Yourself Research Institute, January 1982 Survey.

"expedient" do-it-yourselfer. He is convenience oriented and is a middle class, moderate do-it-yourselfer.

The "price constrained" is a light do-it-yourselfer — anxious about his work. He isn't confident of his skills and tends to be of low income and low education.

The "inflation pressured or traditional do-it-yourselfer" is good at fixing things. This heavy do-it-yourselfer is likely to be a white collar worker with a large family, burdened with the feeling of not getting ahead. Although this group engages in a lot of home improvement projects, it is done because of the cost savings.

The "self-assured confident do-it-yourselfer" also is a heavy do-it-yourselfer, but he likes the work. Over 50% of this group engages in seven or more projects per year. This group is of high income and high education. It is this do-it-yourselfer that the neighbors turn to for answers about how-to questions.

A group that has recently emerged on the scene is the contemporary female. So far, she is considered part of the "reluctant" group of do-it-yourselfers, but marketers are seeking to persuade her otherwise.

The reluctant group is likely to be of low-to-medium income, and is more likely to rent than own a home. In addition, their confidence in abilities to improve their homes is low.

The Research Institute notes that this group is the first to drop out of the market if the trend toward do-it-yourself declines.

Although the do-it-yourself market has been growing in terms of dollars by 15% to 20% a year since 1970, future indications are that it will slow to 10%. The biggest years for home improvement projects undertaken by the owner were the recessionary years 1973, 1974 and 1975.

But it is more than likely that the do-it-yourself market will continue to prosper as females become more involved and as marketers become more sophisticated in encouraging homeowners to learn how to be their own carpenters.

Rebecca Fannin

## How not to do Do-It-Yourself

At least one do-it-yourself marketer has learned a difficult lesson — that sometimes it doesn't pay to persuade homeowners to undertake costly home improvement projects by themselves.

Tampa-based shingles manufacturer, Celotex Corp., spent \$1 million in media to encourage homeowners to climb up on the roof.

The idea of roof-it-yourself may have been good, but the timing was off. As spot tv and spot radio ads hit, the roofing market dropped. Housing starts plummeted. Renovations slowed.

And in-demand roofers suddenly were left empty-handed. The natural occurred. Professional roofing contractor prices declined, and the anxious, not-so-confident roof-it-yourselfers sought the trained experts.

However, Celotex ad director, Ken Schweikhart, claims that if the roofing market had held, the campaign would have worked.

"People were crying out for a way to roof their homes," he says, "and we were the first marketers to respond."

But competitors say that wasn't the real reason that the roof-it-yourself promotion failed. Retailers objected to the campaign, they note, because salespeople thought it was a hassle to tell novices how to roof their homes.

Schweikhart, however, maintains, that he never heard retailer complaints.

Since the campaign's failure three years ago, Celotex has taken a neutral position to roof-it-yourself — a stance that Owens-Corning has favored.

"We don't provide extensive roofing information because of the dangers of falling off the roof," says Jim Worden, marketing communications manager.

But Owens-Corning, regardless, provides explanatory booklets and stages in-store instructional clinics to "take the mystery out of the roofing job."

## Home improvement expenditures by length of residence

| Index              | All do-it-yourselfers | Do-it-yourselfers in residence 1 to 2 years | Do-it-yourselfers in residence more than 2 years |
|--------------------|-----------------------|---------------------------------------------|--------------------------------------------------|
| Number of Projects | 100.0                 | 163.9                                       | 94.4                                             |
| Number of Hours    | 100.0                 | 164.4                                       | 94.5                                             |
| Dollars Spent      | 100.0                 | 146.1                                       | 96.0                                             |

Source: Do-It-Yourself Research Institute, January 1982 survey

## Dollar growth rate of home improvement market (real and projected)

| (in billions) |      |          |      |       |          |
|---------------|------|----------|------|-------|----------|
| Year          | \$   | % growth | Year | \$    | % growth |
| 1970          | 17.5 | N/A      | 1981 | 53.3  | 3.7      |
| 1971          | 18.5 | 5.7      | 1982 | 61.8  | 15.9     |
| 1972          | 20.0 | 8.1      | 1983 | 71.9  | 16.3     |
| 1973          | 22.3 | 11.5     | 1984 | 82.0  | 14.1     |
| 1974          | 25.2 | 13.0     | 1985 | 91.2  | 11.2     |
| 1975          | 29.7 | 17.9     | 1986 | 102.1 | 12.0     |
| 1976          | 33.2 | 11.8     | 1987 | 114.5 | 12.1     |
| 1977          | 37.6 | 13.3     | 1988 | 128.4 | 12.2     |
| 1978          | 42.1 | 12.0     | 1989 | 142.4 | 10.9     |
| 1979          | 47.4 | 12.6     | 1990 | 156.0 | 9.6      |
| 1980          | 51.4 | 8.4      |      |       |          |

Source: Bureau of Building Marketing Research, Building Supply News, Data Resources Inc. and DIY Research Institute

Research, well planned and executed, can be highly beneficial to the industry. Witness the success of Joe Kohler in gathering and using research tools to sell his Ski View Network. He asked questions and heeded advice about the need for research and has been able to attract many national clients. He used actual attendance figures from ski areas, an impression study by Robert M. Chase and Associates, a Nielsen study on Skiing

Participants and a Simmons study on Skier attitudes and awareness.

Let's hope that he and others will continue to update and expand their research. After all, tv or radio stations would not expect to survive long with one rating period that is three or more years old. Newspapers or magazines cannot afford to rest on laurels attained eons ago. They must continue to stand the tests of *frequent* reports in order to be accepted by the advertiser and his

current agency of record.

In discussions with other Out-of-Home Media buyers, the consensus is that *now* is the time for Plant Operators to invest in the future. *Now* is the time to guarantee that future. The buyers who believe that Out-of-Home Media is a valuable asset in an advertiser's media plan need more sophisticated tools to sell it just as much as does the Out-of-Home sales representative.

# We just made Detroit's number 2 newspaper more number 2.

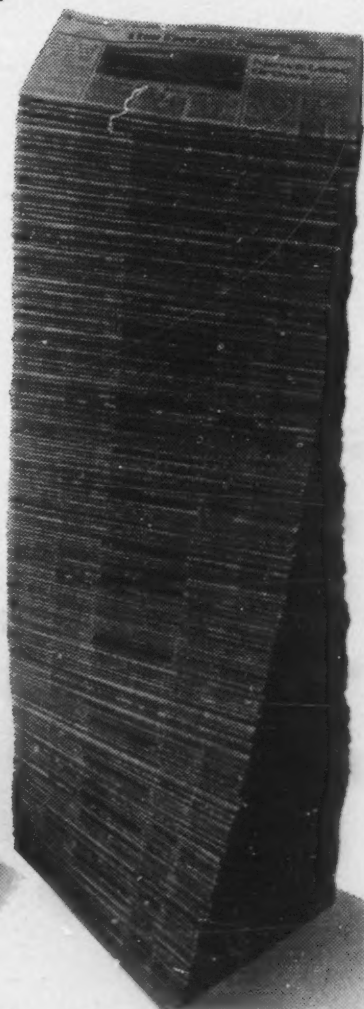
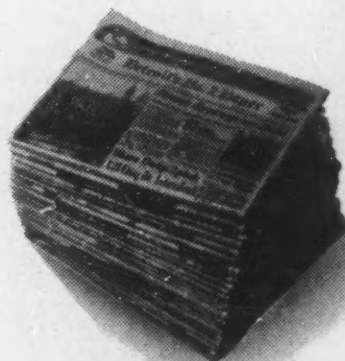
ABC confirms it. The latest circulation figures\* show that once again The Detroit News has increased its lead over the number 2 paper.

What's more, in the big 46-billion-dollar metro Detroit market, The News has jumped ahead by over 100,000 papers daily and almost a quarter of a million on Sunday. And 3 out of 4 are home delivered. No amount of newsstand nose-counting can change that fact.

What makes Michigan's largest newspaper Michigan's fastest growing newspaper? Advertisers know. So do more and more readers. It's a better paper.

\*ABC FAS-FAX March 31, 1983.

**The Detroit News**  
MICHIGAN'S LARGEST NEWSPAPER



A MEMBER OF  THE EVENING NEWS ASSOCIATION

## AGRI MEDIA

By MEL DOLINKY

media director, Bader Rutter,  
Brookfield, Wisconsin



## Cams is here: do we need it?

Farm radio has always been a difficult media to analyze in traditional terms. The last major study which attempted to bring order to chaos was the Doane Study, which generated criticism from many quarters.

Recognizing that the Comprehensive Agri Media Study (CAMS) is not perfect, and that it has numerous areas which allow for too broad an interpretation, it still represents an upgraded effort to create a tool to help target the spending of media dollars.

Data was collected in 7 day diaries distributed to 24,000 farmers, with an expected return rate of 42%. Two basic types of reports are available:

1. A standard version based on income.
2. A comprehensive breakout by crop industry.

Network, station, or geographic consolidations will be available, as will a farm broadcaster report.



The research is being provided on a very detailed and targeted basis. You can look at groupings of counties, or you can look at broad income categories. You can really target in on a specific market.

For an example of why good target marketing is essential, look at some of the figures shown in the report on the CAMS study:

— Farmers spend nearly \$142 billion each year on farm inputs;

— 30% of all farms buy 85% of all farm inputs and account for 95% of all cash farm receipts;

— Farmers grossing \$200,000+ are 6% of the total and buy 42% of all purchased inputs.

— Farmers grossing \$99,000 to \$199,999 bought 41.5% of all purchased inputs.

How's that for market concentration?

Another reason we need to really target closely in media studies is because there is money being spent by farmers and the competition is keen.

Farm money was spent as follows:

| Item bought                             | \$ (Billions) |
|-----------------------------------------|---------------|
| Feed                                    | 19.2          |
| Machinery & Equipment                   | 10.8          |
| Interest                                | 10.3          |
| Fertilizer, lime, & soil conditioners   | 9.8           |
| Livestock, poultry, & related purchases | 9.7           |
| Fuels & Energy                          | 9.5           |
| Buildings & Fences                      | 8.8           |
| Seeds & Plants                          | 4.7           |
| Agricultural Chemicals                  | 3.3           |

And that totals \$86.1 billion.

Interestingly, media spending by category does not parallel the farmer category spending trends as you might

| 1982 Spending<br>Print |              |      |
|------------------------|--------------|------|
| Category               | \$ (million) | %    |
| Crop Chemicals         | \$55.5       | 30%  |
| Animal Health          | \$31.2       | 17%  |
| Field Equipment        | \$28.9       | 16%  |
| Material Handling      | \$18.9       | 10%  |
| Seed                   | \$16.4       | 9%   |
| Autos                  | \$10.1       | 6%   |
| Miscellaneous          | \$21.5       | 12%  |
|                        | \$182.5      | 100% |

Source: April, 1983 Agri Marketing

expect. The print ag media spending goes as follows:

With these spending levels, good research is needed and good targeting spending required. But, a major question does come to mind regarding this study: "Is it really necessary to develop the data collected to such a high level?" Or, put another way, "Does enterprise affect listening patterns?"

If (and this is a BIG "IF") the study shows similar listening patterns by the various crop or industry breakouts, why not limit studies to just income breakouts?

We've been asking for more and more specific research in the ag field, and now we are beginning to get it. Let's be sure we need it and that it is significant.

## RESEARCH

By CHARLES D. KNEPPER

media director, senior vp,  
Lang, Fisher & Stashower, Cleveland



## Researcher radio: results oriented

Small market radio. It is an advertising medium that reaches an estimated 29% of all American households, over 55 million people with a total annual buying income of over \$1.2 billion. Yet this specialized, results-oriented medium is often overlooked by advertisers and ad agencies who have traditionally concentrated on major metropolitan stations and formats.

The reason why single-station and C and D counties are bypassed in media buys is typically short-sightedness that results from a true lack of knowledge about smaller markets. Often, national and regional campaigns will focus on

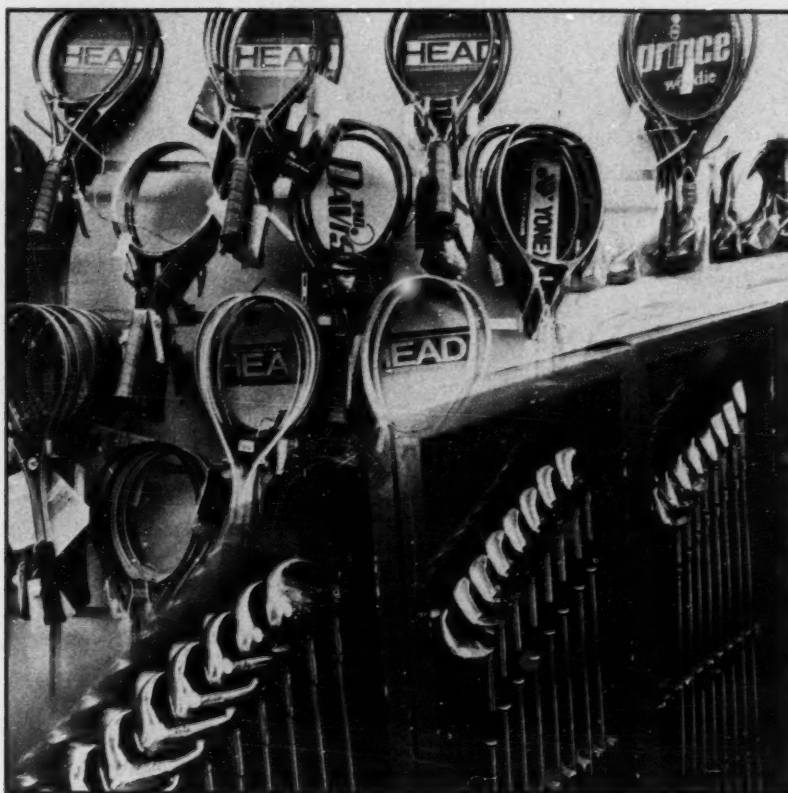
metro stations in the belief that "spill" from these stations will deliver results to the non-metro areas of a given ADI. The absence of small market media campaigns is further rationalized by a lack of ADI numbers and other standard data.

Nearly all advertising data used in evaluating radio is geared for metropolitan areas. The terminology used to describe station formats, for example, usually do not apply to a small local radio station. A small market radio station would be categorized more accurately by formats which imply detailed coverage of local high school sports, community events, church calendars and other specialized community issues; categories like R&B, rock, jazz or new wave would hardly apply.

John H. Geis, senior vice president at Wells Rich Greene, in an article in *Advertising Age* ("How Much We Know," June 22, 1981) alluded to the special understanding and treatment that smaller markets require. Geis cautioned, "When numbers become the sole criteria for making media decisions, we have a sad state of affairs." Geis' warning is especially relevant when using ADI numbers to evaluate non-metro stations. Keyed to metro markets, Arbitron's samples do not (nor are they intended to) reflect the strength of smaller market stations in their home town or county. To the extent that the non-metro population represents a client's marketplace, proper evaluation and employment of non-metro stations can have a very positive effect on the results of a regional or national campaign.

Small market radio has its own particular strengths and advantages. Concentrated local interest is perhaps the single greatest benefit that small market radio offers. For many of the same reasons that suburban newspapers have grown significantly in popularity, small market radio makes good sense as an advertising medium.

By focusing on local news, sports and community affairs, which can attract a high degree of audience attention, smaller stations can reinforce advertisers penetration levels which have been instituted on metropolitan radio stations in larger A and B counties. It is this opportunity for tailor-made local



## The old ball game

Although unit sales have been flat for the past year, sporting goods marketers posted good returns with price hikes that ran higher than inflation. Highly targeted media strategies keep advertising expenditures to a minimum, and efficiency at a premium. But in 1983, the more daring of sports equipment marketers are using broader reach media to prospect not only for brand customers, but new participants in the games themselves.

Whether it be for fitness or fun, Americans are investing more time and money in sports equipment and activities.

While joggers are seen everywhere, they represent only the tip of the iceberg. Although they spawned the running shoe industry, joggers give only a hint of what's going on at the nation's golf courses, tennis courts and bicycle trails.

The passion for fitness and a healthy, trim, robust body is finding expression in numerous areas, as health clubs increase in number and body building equipment finds its way into an increasing number of homes.

The expansion of the sporting goods market in recent years is not attributable to advertising and marketing. Rather, the interest in physical activity seems to have sprung from the nation's

collective psyche rather than the corner suite of a New York advertising agency. The benefits and satisfactions of physical activity are too self-evident to need a push from Madison Avenue.

Last year, while the economy was coming out of the shadows of a recession, the sporting goods business sales dollar increases stayed ahead of inflation. But unit sales, particularly of tennis and golf equipment, and bicycles, remained fairly flat, according to the Sporting Goods Marketing Association.

In terms of dollar figures, golf equipment marketers had a good 1982, as sales dollar figures soared 16% from \$412.6 million in 1981 to \$492.8 million last year. Tennis equipment sales climbed 11% from \$286.6 million to \$353.5 million last year. And bicycles, which continue to sell at an eight million a year clip, ran up a 10% increase, with dollar sales rising from \$1,148.0 billion to \$1,229.0 billion in 1982.

Donald Kasen, information specialist at the National Sporting Goods Association in Washington D.C., who compiled the data, says that "1983 looks like a very good year. Although we don't have figures in yet, it looks as though 1983 will be up over 1982 by the same margin as '82 was up over '81."

At the Sporting Goods Marketing Association, a spokesman sees the sale of tennis rackets as being flat in general, with activity in the mid- and over-size range, and in graphite rackets. Dollar sales are expected by the association to keep pace with inflation.

In golf equipment, increased sales activity is expected in colored golf balls and new metal "wood" clubs, which are becoming popular.

Major advertisers in sporting goods continue to be golf and tennis equipment manufacturers. But by comparison to other industries, media totals are low. In 1982, marketers of golf equipment spent \$21,685,400, according to data from Leading National Advertisers, Broadcast Advertising Reports and Publishers Information Bureau.

Tennis manufacturers spent \$7,777,200, according to the same sources, and bicycle manufacturers spent not much over \$6 million.

Advertising by health clubs is

## 1982 media expenditures for sporting goods

| Brand         | Total       | Magazines<br>Bicycles | Network tv | Spot tv     |
|---------------|-------------|-----------------------|------------|-------------|
| Murray        | \$1,187,800 | \$ 37,000             | —          | \$1,150,800 |
| Huffy         | 969,100     | —                     | —          | 969,100     |
| Schwinn       | 305,400     | 68,600                | —          | 236,800     |
| <b>Golf</b>   |             |                       |            |             |
| Acushnet      | 3,736,000   | 1,504,800             | 2,231,200  | —           |
| Wilson        | 4,620,900   | 2,082,800             | 2,520,300  | 17,800      |
| Spalding      | 2,948,200   | 1,206,600             | 1,655,400  | 86,200      |
| McGregor      | 1,398,000   | 833,300               | 564,700    | —           |
| <b>Tennis</b> |             |                       |            |             |
| Prince        | 1,945,800   | 1,306,400             | 654,400    | —           |
| Head          | 1,804,100   | 1,107,500             | 657,800    | 38,800      |
| Wilson        | 1,755,800   | 1,516,500             | 209,300    | —           |

Source: Leading National Advertisers, Publishers Information Bureau, Broadcast Advertising Reports.

mostly local, consequently not trackable, save for nationally franchised chains such as Jack La Lanne, Vic Tanny and Holiday Spas. And those three were around well before the fitness syndrome hit the nation. Biggest spender among that trio is Holiday Spas, which antied up \$2,216,200 last year.

Overall, sporting goods marketers use a print/network television mix with magazines getting a slight edge from major advertisers. Generally, equipment makers have a particular product benefit story to tell consumers and want to relate it in adequate detail. Consequently, print, particularly magazines, occupy a favored place in the media plan.

### Bicycles

With eight million bicycles a year sold in the U.S. — about as many as new cars — it could be assumed that bicycles are big business. Prices for bicycles range anywhere from \$90 for a mass market two wheeler to \$600 for a custom lightweight bike.

Dollar sales are over \$1 billion, one of the top categories among sporting goods.

And like the other segments of the sporting goods market, bicycle manu-

facturers are precisely aimed target marketers. Only three bicycle marketers spend over \$1 million in advertising: Huffy, Murray and AMF. All three of these brands are aimed at the mass market.

The upscale manufacturers and importers spend considerably less. Raleigh, now a division of Huffy, spends about \$700,000; Schwinn about \$350,000. Ross and Moto-becane, with more expensive bikes, spend even less.

The market is segmented by price, as well as by type of bike. A BMX bike, a moto-cross bike for dirt track riding, is aimed at the juvenile to early teen market. The lightweight 10-speed is marketed to all ages over 14.

But while bicycles are sold to the mass market, bicycle manufacturers and importers refuse to take a mass market approach. They want to reach the consumer with serious interest and purchase intentions. Consequently, such mass market media as network tv and newswEEKlies, even national sports magazines, are eschewed.

Generally, bicycle marketers look in askance at the way advertisers allow wastage to diminish the efficiency of their media buys. They also put a premium on sales promotional efforts



to build business for local dealers who don't have the facilities for sales promotion or merchandising.

The bicycle market is dominated by two mass marketers, Huffy and Murray, who between them hold 80% of the U.S. bike market. Both extend their grip on bicycle sales with private label manufacture for a variety of retail chains.

### Huffy

Huffy is to the U.S. bicycle market as General Motors is to automobiles. With its two bicycle divisions, Huffy and Raleigh, including private brand manufacture, the company commands between 40% and 45% of the bicycle market. And just on a branded basis, between 30% and 38% of the market.

Huffy markets to all segments of the mass bicycle market with Moto-Cross bikes for youngsters between 8 and 14, and 10, 12 and 15 speed bicycles for teens and adults, some lightweight racing bikes and a new line to be introduced this Fall, called First Bikes, for the toddler market. This is a miniature bicycle for the 2 to 5 year old set and it is not a plastic knock-off.

The intricacies with which Huffy pursues its various markets is explained by Phyllis McCullough, corporate advertising manager for bicycles.

"For Huffy, we have two major flights a year, Spring and Fall, and a small continuity program in between. Overall, including Raleigh, we spend between \$3 million and \$4 million," she said.

Moto-Cross bikes, she says, are advertised on spot tv, in all the BMX vertical Moto-Cross magazines and in *Boy's Life*. The bulk of the funds for this line go into spot tv.

Ten speeds are advertised entirely on spot television.

The job of market segmentation really begins with Raleigh. "The audience for Raleigh segments cleanly and specifically," she says. "For openers, we have a broad consumer print campaign running in *Sports Illustrated* and *Playboy* to position the brand with a broad reach. In addition, we use activist buff books including *Ski* and *Backpacker*. The list also includes such enthusiast publications as *American Wheelman*, *Bicycling* and *Bicycle Forum*.

The Raleigh market is further segmented for cyclists interested in high performance and racing. To reach this group, *Bicycle Sport Magazine*, *Winning* and special edition bicycle quarterlies are used.

Raleigh also goes after the bicycle segment interested in cross-country touring with specialist publications and for the die-hard racing enthusiasts, with space in *Racing*, *Velo News* and *Cycling USA*. The recently developing segment interested in marathon racing is also reached with vertical publications aimed at marathon enthusiasts.

In addition to national advertising, Huffy also has a co-op program with funding based on dealer sales. However, Huffy administers this program

entirely. Spot radio and newspapers are used and local dealer lists are included.

"This co-op program was enormously successful," McCullough says. "Dealers ran out of products in many areas."

Another key to the Huffy program is sales promotion. The backs of Cheerios and Wheaties boxes have been used to promote contests associated with Huffy in which entrants could win a racing jersey.

McCullough says that finely targeted media campaigns are a lot of work and that "when you segment, you can't give the same message to everyone." But she also thinks other U.S. industries suffer from not being as finely tuned as the bicycle industry.

"Other businesses don't think in terms of pure marketing effort. You must invest in advertising and sales promotion. Any business that wants to expand must do a lot of marketing for its dealers."

She also thinks many agencies don't understand the nature of finely segmented marketing. "They would evaluate the enthusiast publications on a numbers basis and reject them. You must be in touch with the marketplace to know which ones to use."

She also adds that the U.S. bicycle industry has just about the lowest advertising cost to sales ratio of any field of business, mainly because its members select media on the basis of exact audience targeting.

## GOLF

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| Geographic Region | Total Participants (Millions)  | Incidence (Per 100 Persons) | Percent of Total Participants | Male Market                    | Male Participants (Millions) | Incidence (Per 100 Males) | Percent of Male Participants   | Female Market               | Female Participants (Millions) | Incidence (Per 100 Females)    | Percent of Female Participants |
|-------------------|--------------------------------|-----------------------------|-------------------------------|--------------------------------|------------------------------|---------------------------|--------------------------------|-----------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total U.S.        | 18.90                          | 8.60                        | 100.00                        | Total Males                    | 14.40                        | 13.50                     | 76.10                          | Total Females               | 4.60                           | 4.00                           | 23.90                          |
| Northeast         | 4.60                           | 9.70                        | 24.40                         | Under Age 13                   | .50                          | 2.70                      | 4.10                           | Under Age 13                | .10                            | .70                            | 3.30                           |
| North Central     | 6.50                           | 11.40                       | 34.20                         | 13-17 years                    | 1.60                         | 17.20                     | 11.20                          | 13-17 years                 | .10                            | 2.20                           | 4.30                           |
| Southeast         | 3.10                           | 6.20                        | 16.70                         | 18-24 years                    | 1.90                         | 14.20                     | 13.80                          | 18-24 years                 | .40                            | 3.40                           | 10.90                          |
| Southwest         | 1.40                           | 6.30                        | 7.90                          | 25-34 years                    | 3.60                         | 19.80                     | 25.00                          | 25-34 years                 | 1.00                           | 5.10                           | 21.40                          |
| Mt./N.W.          | 1.90                           | 10.10                       | 9.70                          | 35-49 years                    | 3.10                         | 18.00                     | 21.90                          | 35-49 years                 | 1.10                           | 6.10                           | 24.80                          |
| Calif.            | 1.30                           | 5.80                        | 7.10                          | 50 years +                     | 3.40                         | 13.60                     | 24.00                          | 50 years +                  | 1.60                           | 4.90                           | 35.30                          |
| Household Income  | Incidence (Per 100 Households) | Percent of Total Households | Achievement Level             | Incidence (Per 100 Households) | Percent of Total Households  | Male Education            | Incidence (Per 100 Households) | Percent of Total Households | Household Size                 | Incidence (Per 100 Households) | Percent of Total Households    |
| All Households    | 17.00                          | 100.00                      | All Households                | 17.00                          | 100.00                       | All Households            | 17.00                          | 100.00                      | All Households                 | 17.00                          | 100.00                         |
| Under \$10,000    | 3.70                           | 5.00                        | Low                           | 12.10                          | 16.50                        | Up to H.S.                | 5.80                           | 4.10                        | 1 Member                       | 13.00                          | 17.20                          |
| \$10,000-\$14,999 | 11.60                          | 9.80                        | Low-Medium                    | 17.00                          | 28.80                        | High School               | 15.90                          | 22.00                       | 2 Members                      | 15.30                          | 31.40                          |
| \$15,000-\$19,999 | 14.60                          | 10.30                       | Medium                        | 15.70                          | 19.40                        | Some College              | 23.20                          | 22.10                       | 3 Members                      | 19.90                          | 20.20                          |
| \$20,000-\$29,999 | 21.20                          | 31.90                       | Upper-Medium                  | 18.60                          | 16.80                        | College                   | 26.80                          | 18.20                       | 4 Members                      | 18.80                          | 16.60                          |
| \$30,000 & Over   | 28.40                          | 43.10                       | Upper                         | 26.30                          | 18.50                        | Post College              | 25.40                          | 19.90                       | 5 + Members                    | 23.20                          | 14.60                          |

# BICYCLING

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| Geographic Region | Total Participants (Millions) | Incidence (Per 100 Persons) | Percent of Total Participants | Male Market        | Male Participants (Millions) | Incidence (Per 100 Males) | Percent of Male Participants | Female Market        | Female Participants (Millions) | Incidence (Per 100 Females) | Percent of Female Participants |
|-------------------|-------------------------------|-----------------------------|-------------------------------|--------------------|------------------------------|---------------------------|------------------------------|----------------------|--------------------------------|-----------------------------|--------------------------------|
| <b>Total U.S.</b> | <b>74.50</b>                  | <b>33.70</b>                | <b>100.00</b>                 | <b>Total Males</b> | <b>36.50</b>                 | <b>34.40</b>              | <b>49.20</b>                 | <b>Total Females</b> | <b>37.90</b>                   | <b>33.10</b>                | <b>50.80</b>                   |
| Northeast         | 17.10                         | 35.80                       | 22.90                         | Under Age 13       | 12.20                        | 55.80                     | 33.30                        | Under Age 13         | 11.00                          | 52.80                       | 29.10                          |
| North Central     | 21.40                         | 37.40                       | 28.70                         | 13-17 years        | 6.00                         | 63.80                     | 16.40                        | 13-17 years          | 5.20                           | 57.80                       | 13.90                          |
| Southeast         | 14.50                         | 28.60                       | 19.50                         | 18-24 years        | 4.30                         | 30.90                     | 11.80                        | 18-24 years          | 5.60                           | 38.80                       | 14.80                          |
| Southwest         | 7.60                          | 32.30                       | 10.30                         | 25-34 years        | 6.40                         | 35.30                     | 17.60                        | 25-34 years          | 7.00                           | 37.10                       | 18.50                          |
| Mt./N.W.          | 6.70                          | 36.20                       | 8.80                          | 35-49 years        | 4.60                         | 26.60                     | 12.70                        | 35-49 years          | 5.50                           | 29.80                       | 14.60                          |
| Calif.            | 7.20                          | 31.10                       | 9.80                          | 50 years +         | 3.00                         | 11.80                     | 8.30                         | 50 years +           | 3.40                           | 10.60                       | 9.00                           |

| Household Income      | Incidence (Per 100 Households) | Percent of Total Households | Achievement Level     | Incidence (Per 100 Households) | Percent of Total Households | Male Education        | Incidence (Per 100 Households) | Percent of Total Households | Household Size        | Incidence (Per 100 Households) | Percent of Total Households |
|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|
| <b>All Households</b> | <b>40.20</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>40.20</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>40.20</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>40.20</b>                   | <b>100.00</b>               |
| Under \$10,000        | 21.30                          | 11.90                       | Low                   | 40.60                          | 23.40                       | Up to H.S.            | 19.70                          | 5.90                        | 1 Member              | 28.00                          | 15.50                       |
| \$10,000-\$14,999     | 36.90                          | 13.20                       | Low-Medium            | 43.60                          | 31.10                       | High School           | 41.60                          | 24.20                       | 2 Members             | 25.70                          | 22.30                       |
| \$15,000-\$19,999     | 40.60                          | 12.10                       | Medium                | 35.70                          | 18.50                       | Some College          | 50.80                          | 20.40                       | 3 Members             | 47.70                          | 20.50                       |
| \$20,000-\$29,999     | 50.30                          | 31.90                       | Upper-Medium          | 40.50                          | 15.50                       | College               | 50.90                          | 14.50                       | 4 Members             | 64.50                          | 24.00                       |
| \$30,000 & Over       | 48.40                          | 30.90                       | Upper                 | 39.00                          | 11.60                       | Post College          | 52.00                          | 17.10                       | 5 + Members           | 66.80                          | 17.70                       |

## Murray

The story at Murray is similar to the one at Huffy, a schedule with two flights, Spring and Fall, and highly targeted print media. Murray holds the number two spot in bicycle sales.

Dan Van Vickie, advertising manager at Murray, says the company's flights are based on demographics. "Our fall campaign is geared to juveniles, 8 to 14. The spring campaign is aimed at teens."

Dayparts used in spot tv include late afternoon fringe and Saturday mornings. "We use spot because we don't have the budget for a full-blown network television thrust. We advertise in the top 50 markets, strongly in the major metros."

Print is also used, confined to vertical bicycling books, as well as *Boy's Life*. Murray also plugs its affiliation with the Olympics as supplier of bikes for the U.S. Olympic Team with ads in *Bicycling* and *Velo News*.

## Schwinn

Schwinn goes after a mostly upscale market with a modest budget, just over \$300,000, and does it carefully. Print production manager, Paul Chess, says, "You just can't be in every vehicle that makes a good case for itself. Theoretically, everyone is a prospect for a bicycle but there is only so much you can spend."

Schwinn will be in 28 markets this Fall with a spot tv campaign. In magazines, in addition to enthusiast

books, Schwinn uses outdoor activist publications, including *Outside*, *Back Packer* and the *Sierra Club* magazine.

Schwinn's budget for 1983 is about the same as the '82 budget, not over \$350,000.

## Others

The more upscale bicycle brands, Ross, Motobecane and the imports, follow the same principles and generally restrict their advertising to the vertical publications that reach the enthusiast audience.

## Golf

Like bicycle manufacturers, the makers of golf equipment are dedicated target marketers. Perhaps it has

# TENNIS — OUTDOOR

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| Geographic Region | Total Participants (Millions) | Incidence (Per 100 Persons) | Percent of Total Participants | Male Market        | Male Participants (Millions) | Incidence (Per 100 Males) | Percent of Male Participants | Female Market        | Female Participants (Millions) | Incidence (Per 100 Females) | Percent of Female Participants |
|-------------------|-------------------------------|-----------------------------|-------------------------------|--------------------|------------------------------|---------------------------|------------------------------|----------------------|--------------------------------|-----------------------------|--------------------------------|
| <b>Total U.S.</b> | <b>17.40</b>                  | <b>7.90</b>                 | <b>100.00</b>                 | <b>Total Males</b> | <b>9.40</b>                  | <b>8.80</b>               | <b>53.90</b>                 | <b>Total Females</b> | <b>8.00</b>                    | <b>7.00</b>                 | <b>46.10</b>                   |
| Northeast         | 3.90                          | 8.10                        | 22.20                         | Under Age 13       | 1.00                         | 4.80                      | 11.20                        | Under Age 13         | 0.50                           | 2.60                        | 6.80                           |
| North Central     | 4.10                          | 7.10                        | 23.40                         | 13-17 years        | 1.30                         | 14.20                     | 14.20                        | 13-17 years          | 1.80                           | 19.80                       | 22.40                          |
| Southeast         | 3.60                          | 7.20                        | 21.00                         | 18-24 years        | 1.80                         | 13.20                     | 19.50                        | 18-24 years          | 1.70                           | 12.10                       | 21.80                          |
| Southwest         | 1.80                          | 7.90                        | 10.70                         | 25-34 years        | 2.60                         | 14.70                     | 28.40                        | 25-34 years          | 2.00                           | 10.60                       | 25.00                          |
| Mt./N.W.          | 1.30                          | 7.50                        | 7.80                          | 35-49 years        | 1.70                         | 10.00                     | 18.70                        | 35-49 years          | 1.40                           | 7.50                        | 17.30                          |
| Calif.            | 2.60                          | 11.10                       | 14.90                         | 50 years +         | .70                          | 2.90                      | 7.90                         | 50 years +           | .50                            | 1.50                        | 6.60                           |

| Household Income      | Incidence (Per 100 Households) | Percent of Total Households | Achievement Level     | Incidence (Per 100 Households) | Percent of Total Households | Male Education        | Incidence (Per 100 Households) | Percent of Total Households | Household Size        | Incidence (Per 100 Households) | Percent of Total Households |
|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|-----------------------|--------------------------------|-----------------------------|
| <b>All Households</b> | <b>12.10</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>12.10</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>12.10</b>                   | <b>100.00</b>               | <b>All Households</b> | <b>12.10</b>                   | <b>100.00</b>               |
| Under \$10,000        | 3.40                           | 6.20                        | Low                   | 10.70                          | 20.40                       | Up to H.S.            | 2.40                           | 2.40                        | 1 Member              | 10.30                          | 18.90                       |
| \$10,000-\$14,999     | 8.30                           | 9.80                        | Low-Medium            | 10.40                          | 24.70                       | High School           | 8.70                           | 16.80                       | 2 Members             | 8.30                           | 23.70                       |
| \$15,000-\$19,999     | 9.70                           | 9.60                        | Medium                | 11.30                          | 19.40                       | Some College          | 14.20                          | 18.90                       | 3 Members             | 15.00                          | 21.30                       |
| \$20,000-\$29,999     | 14.70                          | 30.90                       | Upper-Medium          | 15.50                          | 19.70                       | College               | 22.30                          | 21.10                       | 4 Members             | 16.50                          | 20.40                       |
| \$30,000 & Over       | 20.50                          | 43.40                       | Upper                 | 16.10                          | 15.80                       | Post College          | 22.60                          | 24.70                       | 5 + Members           | 17.70                          | 15.60                       |

something to do with the game. The point, after all, is to get the ball in the cup in the fewest number of strokes despite numerous obstacles along the way.

The demographics of the game are definitely upscale. Golf requires for most a country club membership, a wardrobe, a car and a golf cart, if not a caddy. That all costs money. And who would dare admit playing on a municipal course?

Golf is more a participation sport than a spectator sport, although in the Northeast, most golfers are forced to the video sidelines by frigid weather. And that's when golf advertisers cluster in available tournament adjacencies to push their woods, putters and mashees.

As for print, there are fewer golf advertisers outside the vertical publications serving the sport than there are Hebrew prophets beyond the covers of the Old Testament.

Manufacturers of golf equipment say they don't have much money to spend on advertising, but then, the game did come from Scotland. In any event, the big brands in golf aren't spending any more than they must and spend it carefully. Their parsimony in media sets an example that some other industries could profit from.

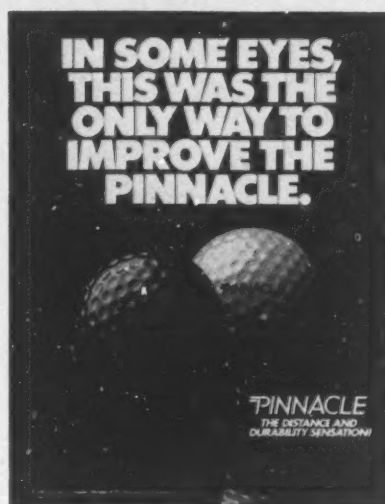
#### Wilson

This venerable name in sports equipment has the dubious distinction of being the biggest spender in the field. Last year, Wilson invested \$4.6 million in measured media, nearly a million more than its closest rival, Acushnet.

Despite its plethora of funds, Wilson goes for the media hole-in-one with just as much dedication as the most meager spender.

Lynn Brown, account executive on Wilson's golf business at Leo Burnett, Chicago, says, "We spend Wilson's dollars against the golfer. We use the vertical golfing magazines. Wilson doesn't have enough money to go into mass audience magazines or take a broad reach network television schedule."

But if they could go media prospecting for golfers-to-be, where would Wilson go? Brown suggests there are some places. "I believe there is an opportunity to build business in the non-



#### Acushnet uses stark, classic graphics for its Pinnacle balls.

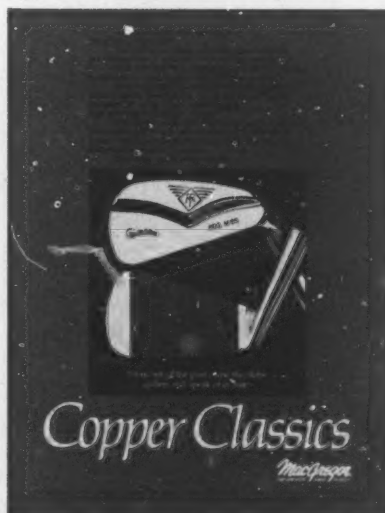
buff magazines. One place you could go would be the consumer business publications, which are definitely upscale and receptive to this product category.

"But the question is how much do you have to spend. The media schedule is a function of priorities. Golf equipment is just not heavily advertised," Brown says.

#### Spalding

With about \$3 million to spend on media, Spalding is one brand pushing to break the industry mold on a tight media selection. According to Nancy Ferguson, account executive on the Spalding business at Hill, Holiday Connors & Cosmopolous, Boston, while buying in the traditional vehi-

#### MacGregor positions its clubs against the market's top end.



cles, golf buff books and televised golf tournaments, the brand started to expand last year beyond the elementary demographics.

"We started to reach out last year beyond the enthusiast vehicles," she says. That innovation included pages in *Sports Illustrated* and *People*, as well as time in the National Basketball Association playoffs.

"That move into reach vehicles was stepped up this year and will increase next year. A part of the program was a network radio buy in April for golf balls and a promotional ad in *People* in June, which announced a 15 ball buy for the price of a dozen," she says.

"We're trying to reach people new to the sport. We're confident we're moving in the right direction. Business is good, but the effect of reach advertising is hard to measure," she adds. "But while we do this we will continue to support the core vehicles," she says, referring to the enthusiast books and tournament telecasts.

#### Acushnet

With close to \$4 million to spend, Acushnet is able to take a slightly more adventurous approach to the golfing audience, but still can't be accused of going into the rough.

Robert Forbush, vp, sales and marketing for the golf division of Acushnet, explains the nature of the target audience. "Our primary emphasis is on the heavy golfer. Our experience and our research shows that the heavy golfer is the kind of person who purchases the kind of equipment we produce."

Targeting by Acushnet is very precise, with some diversity to account for seasonal variations in the game and the market.

Acushnet is a heavy supporter of network television golf tournaments. Network dollars are put in their entirety against tournament telecasts, about two thirds of the budget.

In print, Acushnet relies on the large buff books, *Golf*, *Golf Digest* and *Golf World*, for its vertical approach to the market. *Sports Illustrated* is used for broader reach and is the only mass audience magazine that Acushnet uses on a scheduled basis.

But while golf equipment has no real geographic areas of weakness, seasonality does play a role in market-



With an expenditure of about \$850,000 in magazines this year, one might think there would be a bit of a spread, but that's not the case. Oenberg says, "We confine our magazine advertising to *Golf*, *Golf Digest* and

Obviously, MacGregor knows it's not after duffers, but the golfers who have just as a keen sense of where the green is as does the company.

The intensity of that battle can hardly be measured by advertising dollars, which for the entire category, totaled only \$7,777,200 last year accord-

**Arthur Ashe is spokesman for ▶ Head's mid-price mid-size racquet.**

Source: Industry estimates.

Prince is in the enviable position of holding 25% of the market in unit sales and an even higher share of dollar

[illegible]

sales. Prince markets eight rackets, all of them 110 square inches, with a price range running from just over \$50 to \$500.

Prince, in fact, holds a larger share of market than all the mid-size racket sales put together.

Prince's position was described by Michele Guss, account executive at Prince's agency, Waring & LaRosa. Guss is herself a tennis teacher and pro and she swears by the Prince Boron.

"Our audience studies show that the Prince purchaser is a frequent player, at least once a week. And we also know there is a market of people out there: tennis players who don't read the tennis books."

Consequently, while Prince does use just about all the enthusiast publications and sporting goods trade publications, the brand's ads may also be found in *People*, *Sports Illustrated* and the *New Yorker*, for the older demographic.

Prince advertises heavily on tennis tournaments, Ms. Guss says, spending double the amount put in by Wilson. "That's a perfect vehicle for us, for very seldom can you reach your audience selectively with television," she notes.

"But we're constantly evaluating different publications in terms of determining who we want to talk to. But we aren't putting all our eggs in the tennis enthusiast basket," she said.

Prince uses copy slogans this year such as "Prince — the sweetest spot in tennis," and for an ad running in September editions, "More ranked pros and juniors use the Prince than any other racket."

Prince is holding off the competition, although Head is coming back strongly, both in terms of marketing and design.

#### Head

This division of AMF has been on a roll for two years now, after market research showed how it could make copy points about the playing quality of its rackets. The account was related by Peter Hoover, tennis products manager for Head.

Up until the end of the decade, Head had been stressing materials in its copy for tennis rackets and not achieving notable success. But a series of focus group panels revealed that the size,

#### Murray uses enthusiast books for its lightweight bicycles, stressing performance characteristics.

rather than materials, is the key factor for most of the serious tennis playing public.

Consequently, Head was able to improve the sales performance of its mid-size racket, first marketed in 1978 to counter the onslaught brought on by Prince's oversize racket. Head positioned its EDGE racket as having the power attribute of the oversized racket, but without the loss of control.

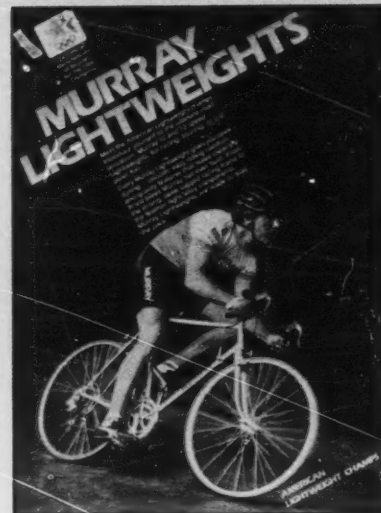
Further studies showed there was also a place for a Head oversized racket. The Prince racket was shown to be perceived as having defensive advantages. So when the Head oversized racket, Director, was introduced in 1982, it was positioned for "the aggressive serve and volley player." According to Hoover, the Director got a 14% market share in 1982 and is building to a 23% share this year.

But the problem, he says, was getting public awareness that Head has an oversized racket at all. Tournaments were staged with the Head and Prince rackets in which 60% of participants said they preferred the Head Director.

To reach the public with its message, Head is violating the shibboleth of enthusiast vehicles only. Head is using such upscale broad reach publications as *Atlantic*, *New Yorker*, *Esquire* and the East/West in-flight network books, as well as *Runner's World*, and the tennis buff books, Hoover says.

"We wanted to maximize our reach and frequency and have been able with less than \$2 million to achieve a reach of 40 with a 4.0 frequency in magazines, and with tv, a reach of 95 with a 7-8 frequency." Television is restricted to tennis tournament broadcasts, because Simmons and MRI data show tennis players watch very little television save for tournaments, "It's tournaments or nothing in tv," Hoover says.

Hoover credits much of Head's recent success to the company's agency switch, which took the account from Benton & Bowles in Chicago to the smaller Earl Palmer Brown agency in



Bethesda, MD., in January 1981. "We tended to get lost in the larger shop," Hoover says, "and our account was used for training new people."

Currently, Head is running its production line in three shifts, making as many rackets as it can, and still can't keep up with demand. "It's a nice situation to be in," Hoover admits, "but the dealers are annoyed because they can't get enough products and are back-ordered."

#### Conclusions

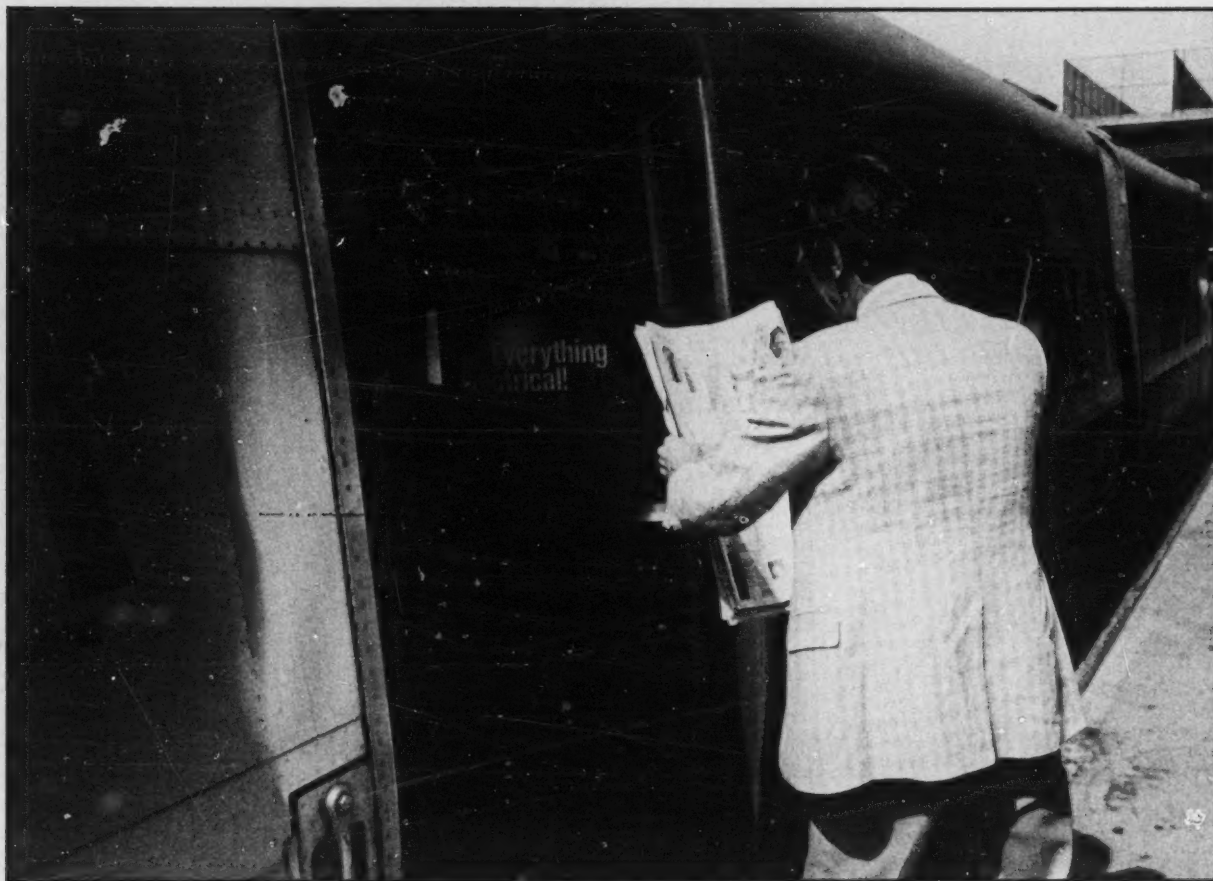
The sporting goods industry is one where target marketing and advertising have been carried to their ultimate extension. On the one hand, there is no wastage in the media buy; on the other, unit sales have been flat, suggesting that a broader media range could stimulate interest in participation and eventually, equipment purchase.

In a sense, sporting goods marketers are speaking to prospects already sold on the sport but not on brand to purchase. Only a few are using media beyond enthusiast vehicles to prospect for recruits. But there are hints that the more adventurous marketers are looking for those fence sitters who have an itch to play at a particular sport but haven't quite gotten up the nerve to jump in.

If advertising isn't the best way to dragoon members of the population into sports participation, possibly a joint promotional campaign would pave the way.

Fred Gardner

# Newspapers pause at the crossroads



The biggest advertising medium — newspapers — is on the brink of change. Central city afternoon papers are failing, readership has not grown and the new electronic media threatens to woo more newspaper readers. Yet suburban newspapers are taking up almost all the slack — their main attraction being heavy coverage of community news, where the population is swarming. National newspapers, too, are finding their own niche.

**N**ewspapers are battling more than just a tough image problem.

This number one advertising medium, which claims a 30% share of total ad dollars, has been tarnished by more than one strike. It hurt when three large metropolitan newspapers painfully folded — the *Philadelphia Bulletin*, the *Washington Star*, the *Cleveland Press*. And it hasn't helped

that the number of competitive newspaper towns is dwindling.

Still, newspaper's share of the total national advertising pie — currently about 7% — hasn't slipped, in spite of mounting publicity about the arrival of the electronic age, challenges by shoppers, suburban papers and cable, and socioeconomic trends that adversely affect newspaper reading habits.

Newspapers are clearly at a crossroads. They are dealing with a shift in population to the suburbs and the impact of competitive media.

At the same time, the number of adults reading a daily newspaper is down. In 1961, Audits & Surveys showed that 80% of total adults read a daily newspaper. But now, SMRB says only 67% do.



Although many newspapers in the Sun Belt are exceptions and morning newspapers continue to thrive, evening newspapers are on the decline.

Since 1972, the number of evening newspapers has dropped from 1,424 to 1,277 in 1982. Morning newspapers, meanwhile, have climbed from 320 to 399 during the same time period, according to the Newspaper Advertising Bureau. And as evening newspapers have found the fight to deliver the paper against homeward-bound traffic jams too much, they have also shifted to all-day publication. The number of all-day newspapers has jumped to 34 in 1982, compared to 17 in 1972.

A lot of factors are blamed for the plight of the afternoon newspapers. The shift in population to the suburbs, the increasing number of Blacks and Hispanics in the central city and the growing influence of city magazines and television news have all been cited for declines in evening newspaper readership.

The growth of suburban papers has been dramatic but has not offset declining circulation of central newspapers. But increasingly, suburban newspapers offer growing competition to the metropolitan dailies. To maintain their position, metropolitan papers are offering zoned editions and are stepping up coverage of suburban news. For advertisers, newspapers are delivering inserts to the entire market. Approximately one-third of papers with circulation over 100,000 offer this total market coverage program to advertisers.

Advertisers are aware of developing newspaper readership habits, but few buys are influenced by the emerging data.

"Our buys have not been significantly altered by newspaper changes in readership," says Bill Alenson, director of advertising and promotion at United Airlines. "I still buy or target audience in the most efficient and effective way.

"We buy newspapers for broad reach advertising programs — like to announce new prices," Alenson says. "But to reach the frequent business flier, we also go into the largest metropolitan dailies."

At Penney's, newspaper readership trends are taken into account, but do

## Percentage of U.S. adults reading a daily paper — average weekday

|                           | 1961 | 1980 |
|---------------------------|------|------|
| All adults                | 80%  | 67%  |
| By age                    |      |      |
| 18-29                     | 74%  | 61%  |
| 30-54                     | 83%  | 71%  |
| 55 - +                    | 78%  | 71%  |
| By education              |      |      |
| College Grad.             | 89%  | 78%  |
| 1-3 yrs. Coll.            | 88%  | 73%  |
| H.S. Grad.                | 87%  | 69%  |
| Not H.S. Grad.            | 72%  | 62%  |
| By Occupation             |      |      |
| Prof./Mgr.                | 89%  | 77%  |
| Cler./Sales               | 89%  | 72%  |
| Crafts/Foreman            | 82%  | 66%  |
| Other Emp.                | 69%  | 61%  |
| By numbers of papers read |      |      |
| One only                  | 59%  | 54%  |
| Two or more               | 21%  | 13%  |

Source: Audits & Surveys Study 1981, SMRB 1980

not specifically alter buys, according to James Boynton, manager of media planning.

"We are not using newspapers any less, we just are using them more specifically," Boynton says. Penney's has diverted some of its substantial print dollars to the new electronic media as metropolitan papers have lost readership because of migration to the suburbs. But Penney's is also using *Pennysaver* and other free-circulation newspapers where daily and weekly newspaper circulation is not adequate, Boynton says.

In a more positive vein, newspaper readership has been given a boost by the unexpected success of the nation's first daily newspaper, *USA Today*. Although many critics doubted that readers and advertisers would support a general interest daily, Gannett's new

brainchild has proven them wrong. After only one year, circulation had climbed to more than 1 million.

The New York Times national edition also has prospered. Launched in August 1980, the national press run weekdays is 100,000 and Sundays is 200,000. Meanwhile, the Wall Street Journal's circulation has climbed steadily from 1,927,963 two years ago to 2,036,789 as of March 1983, according to figures from the Audit Bureau of Circulation.

Supermarket tabloids such as the *Star*, the *National Enquirer*, the *Globe* and the *National Examiner* also are on the leading edge of circulation gains. The *Enquirer's* circulation has climbed from 1.8 million in 1970 to over 5 million. The *Star's* circulation as of December 1980 was 3.5 million, but has since risen to 4.8 million.

But national advertisers have not flocked to their pages. A dominant percentage of ad dollars comes from direct response advertisers.

In addition, an important measure of newspaper readership recently has been upgraded.

Newspaper researchers, Simmons Market Research Bureau and Scarborough Research Corporation, have found this year that newspaper pass-along is 25% higher than expected. The benchmark of 2.2 readers per copy had been a standard measure of newspaper reading for many years. But this year, both research firms' national studies agree that readers per copy range is from 2.73 to 2.77. (See related story in this issue, pg. 70.)

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**Some of those in the lower socioeconomic groups have given up on reading the metropolitan newspaper. They are getting national and international news from the television and looking to community papers for local readership**

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The new figure refers, significantly, to the top markets, which generate about 80% of national advertising.

One reason the figure could be higher is that past studies measured all dailies. These measure the top 40 or 50 ADI's.

The reports show that there is a steady progression from high readers per copy in the larger markets to low numbers in the small ones, according to Jeremy Sprague, vp, director of research and sales development at newspaper representative Cresmer, Woodward, O'Mara & Ormsbee.

Sprague points out that the big markets where the national advertising is sold are getting almost twice the readers per copy as that of the small ones.

Although several negative newspaper reading developments have disturbed newspaper publishers, experts say a healthy appetite for the solid news coverage daily newspapers deliver remains.

"The fact that the average educational level is starting to go up again is a good omen for the newspaper

business," says John Morton, newspaper analyst with Lynch, Jones & Ryan in Washington, D.C.

"The socioeconomic trends occurring play up to newspapers' strengths," he adds. "Real income has been going up and there is more leisure time.

"We are very optimistic about newspapers' strengths," Morton notes.

Morton, however, points out that metropolitan papers' growth in several markets has been sluggish.

"We have noticed the shift away from metropolitan dailies to community papers and weeklies," he says. This means that there really hasn't been a decline in newspaper reader-

ship, Morton explains, noting that most readership studies of newspapers haven't picked up this trend.

Morton notes, however, that there has "some erosion" of readership in the lower socioeconomic group. "Some of those in the lower socioeconomic groups have given up on reading the metropolitan newspaper. They are getting national and international news from the television and looking to community papers for local readership," he says.

Ken Noble, a vp and newspaper analyst with Paine Webber, says that declining newspaper readership has been accentuated in the 1970's by the postponement of marriage and the growing restlessness of the young.

"The newspaper industry believes that the principal newspaper readers have a stake in the community, which increases with home ownership and families," Noble says.

But Noble predicts that in the 1980's, demographic trends should help to improve readership.

He notes that Sunday newspaper readership is picking up and that sub-

urban papers' growth is outstripping metropolitan papers. "These two trends will not only continue but they will be long-term," Noble predicts.

Noble expects circulation, especially street sales, to pick up with improved demographics and an improved economic picture.

But Noble cautions that the few competing newspaper markets could become even scarcer. But growth markets, such as Dallas and Houston, should continue to be able to support two newspapers. Noble explains that the power of any one medium over the population will diminish as the entire media field segments into specialized interests.

First as many mass circulation magazines became a plethora of competing special interest publications, Noble expects that newspapers will follow that same general trend.

He notes that newspapers are already starting to break into specialized interests, pointing to an all-sport edition on the West Coast, Spanish language edition papers and an evening business newspaper.

"I foresee that in ten years, newspapers will be available in segments. For instance, you could just purchase the lifestyle edition or the classified section on Sunday," Noble predicts.

The growing influence of suburban newspapers cannot be ignored. Since the Washington *Star* folded, a chain of suburban newspapers, the Journal Newspapers in Washington, went from weekly to daily circulation. Readership following that move has jumped from 128,000 to 146,000. In addition, national advertising in that chain of suburban newspapers has doubled.

The suburban newspapers in St. Louis are particularly strong. There, two suburban newspaper publishers have joined forces for a total free-circulation of more than 900,000 — higher than the combined circulation of the two major metropolitan dailies, the *Post Dispatch* and the *Globe-Democrat*, which have 500,000.

What is helping many suburban newspapers is that many suburbs are attracting corporate headquarters. More suburbanites also work in the outlying areas, making it more likely that they will read only the suburban newspaper.

Gannett's Westchester-Rockland chain north of New York City profits from this trend. Westchester County is the second largest home for corporate headquarters outside of New York City. Gannett's research shows that 60% of professionals and executives who live in the county also work there.

According to Gannett's research, two-thirds of the Westchester-Rockland group of daily suburban readers do not read a New York City daily newspaper.

While suburban newspaper publishers gain sophistication and credibility, metropolitan dailies are mindful of the competition.

The New York Times began publishing special sections for suburban readers in 1971 for Westchester County, New Jersey, Long Island and Connecticut in its Sunday editions. It sells that suburban readership on a zoned basis.

Other metropolitan interest in suburban newspapers is picking up partly because of the efforts of US Suburban Press (USSPI), which has united suburban newspapers as a package to be sold either on a multi-market or national basis.

USSPI also has helped suburban newspapers overcome the stigma that they are not being read. Many of the suburban papers are distributed free, generally on a weekly basis. USSPI finds that its papers have 2.48 readers per copy; that 66% read the paper the first day, 94% within two days and 57.9% say these papers do better than their metropolitan dailies in covering community news and events.

National advertisers are increasingly using suburban newspapers because they want to reach affluence; they want to pinpoint specific sales regions; or they want to extend their reach by combining suburbans with metropolitan papers.

Brown & Williamson adds suburban newspapers whenever the metropolitan paper's penetration dips too low, according to director of marketing services, Tom Neville. The tobacco advertiser began using suburban newspapers in 1978 and is now an "extremely heavy supporter of the medium for all its brands."

But Neville points out that these papers are used in conjunction with

metro dailies — not in place of them.

Mobil Oil also has been an early supporter of suburban newspapers. It buys the suburbs primarily because car ownership is higher there than in the central city, according to advertising manager, Joe Landy.

Kimberly Clark also finds that its bathroom tissues sell better in the suburbs where large families and bath-

suburban population is decidedly more affluent. The median family income in the suburbs is \$26,339 compared to \$22,393 for the central city, according to the 1980 census.

Although the circulation of newspaper dailies has remained steady over the past ten years, it has not kept pace with population growth.

Newspapers have had a particularly

## Media cited by adults as source of most news about world events

|       | newspapers | tv  | radio | magazines |
|-------|------------|-----|-------|-----------|
| 12/59 | 57%        | 51% | 34%   | 8%        |
| 11/61 | 57%        | 52% | 34%   | 9%        |
| 11/63 | 53%        | 55% | 29%   | 6%        |
| 11/64 | 56%        | 58% | 26%   | 8%        |
| 11/67 | 55%        | 64% | 28%   | 7%        |
| 11/68 | 49%        | 59% | 25%   | 7%        |
| 1/71  | 48%        | 60% | 23%   | 5%        |
| 11/72 | 50%        | 64% | 21%   | 6%        |
| 11/74 | 47%        | 65% | 21%   | 4%        |
| 11/76 | 49%        | 64% | 19%   | 7%        |
| 12/78 | 49%        | 67% | 20%   | 5%        |
| 12/80 | 44%        | 64% | 18%   | 5%        |
| 12/82 | 44%        | 65% | 18%   | 6%        |

Source: The Roper Organization

rooms are found in abundance, says media analyst, David A. Slavick.

Advertising categories that suburban publishers agree that they should be selling more space to, however, are house and garden supplies and airlines.

One contributing factor to suburban papers' prosperity is the 13% increase in suburban population in the last 20 years. The suburbs, defined as that part of the standard metropolitan statistical area outside the central city, are home to 43.4% of the nation, according to 1980 figures.

In addition, the census finds that the

tough time holding onto younger readers. Only 59% read a daily newspaper on an average weekday. In comparison, 75% of the 55-64 age group read a daily newspaper.

At the same time, however, there has been a substantial increase in daily exposure to television news, which went from 48% to 67% from 1971 to 1982. A dozen years ago, there were a substantial number of people who read the newspaper on a particular day and did not see any television news. Today, about half the public is exposed to both newspaper news and tv news, and



equal proportions (about one in five) get the news only on tv or only from a daily paper, according to Audits & Surveys' 1982 newspaper readership study.

The larger audience for television news is in part a result of the fact there is far more news on the air — for longer stretches at more odd hours and on more stations.

agree that they don't get enough news from tv and want the added details from newspapers on big stories, the survey points out.

Another reason for tv's appeal, the survey notes, is that people feel closer to the television channel they watch most often than to the newspaper they read most often. Tv has gained significantly in the past 20 years. News

sacrifice the daily paper for Sunday. That percentage is slightly higher among people who are currently under age 30.

The study showed the Sunday paper appeals to the younger reader based on its depth of special interest material. To keep the younger readers interested, the study suggests that daily newspapers should reexamine their tendency to cut down on regularly scheduled special interest material.

Newspapers are working to become the local, national and international authority for news. But newspapers need to come to terms with new electronic media and a number of shifting newspaper readership habits. Studies show that even though newspaper circulation has remained stable, certain segments of this publishing business are thriving. Suburban newspapers have never been stronger. Metropolitan dailies are seeking to upgrade coverage of community news. And the relative newcomers to the newspapers, national papers, are proving that they can be viable.

Yet newspapers should remain alert, striving to build their base, particularly as the number of single-newspaper towns continue to mount.

Despite their shortcomings, newspapers probably will never become outdated. While television has gained an edge in providing major world news, according to the Roper Organi-

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**Cable, however, does not appear to be eroding newspaper readership. According to SMRB figures, in cable homes, newspaper readership is more than 75%. In non-cable homes, it is slightly over 70%**

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Cable, however, does not appear to be eroding newspaper readership. According to SMRB figures, in cable homes, newspaper readership is more than 75%. In non-cable homes, it is slightly over 70%.

Newspaper readership is highest among the upper income groups and the higher educated. Nearly 80% of those households with incomes over \$40,000 read a daily newspaper. By comparison, 70% of the \$20,000 to \$24,999 group read a daily newspaper.

But even in households below the poverty level, with incomes under \$10,000, 53% read a newspaper on a typical day.

Readers spend a surprising amount of time with the daily paper: for the average paper, about 44 minutes per day, according to Audits & Surveys. The survey also notes that 77% of all pages in the newspaper are opened and looked at by the typical reader. Every kind of section in the paper is scanned by the vast majority of readers. This means that no matter where a story runs in your paper, nearly four out of five readers will have a chance to see it, the survey notes.

Television, however, has gained an edge in being the first source for a big current news story. Television is named as the first source by 51% and newspaper by 27%.

Although four out of five agree that seeing the news on tv makes it easier to understand what's happening, they

shows are the programs that mainly give a local television channel its identity, the survey reports.

The survey also asked readers to rate newspapers in terms of their coverage of topics. Those topics which received high ratings were crime, followed closely by sports, inflation and then unemployment. Rated less highly were news of other countries, local government, the President and the subject of young people and drugs, the survey notes. News of the neighborhood, personal health and pollution were given low scores.

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**The Sunday paper appeals to the younger reader based on its depth of special interest material. To keep the young readers interested, daily papers should reexamine their tendency to cut down on regularly scheduled special interest material**

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The survey also reports that readers expect newspapers to be a smorgasboard of content and writing styles, but with news continuing as the main attraction.

While noting that daily newspaper circulation has been static in the past few years while population has grown, the study points out that Sunday newspaper circulation has kept growing at a healthy rate. But according to the study, only a minority are willing to

zation, newspapers won't be supplanted as the source for in-depth, solid and reliable news. Many experts criticize television newscasts for being superficial. Newscasters' smiles are candy sweet.

By focusing on editorial packages that hold young readers' attention and providing responsible journalism, newspapers should confront newly competitive media with rave reviews.

*Rebecca Fannin*

# How many people will read her newspaper?

Until 1982, everyone credited newspapers with 2.2 readers per copy. Last year's SMRB study raised the figure (and some eyebrows) to 2.73 rpc's. Now the new Scarborough finding validates the 2.73 with a 2.77.



Newspapers are now full members of the total-audience club. They're on line with the other major media in the Telmar, IMS and Windsor computers that the media planner plugs into for reach and frequency data. Like consumer magazines, newspapers now have two syndicated audience studies in the computer: SMRB, issued last September, and Scarborough, just out. Newspapers are breathing easier now, because the second study's findings don't vary from the first — they validate the first.

This is important because when the SMRB study came out last September, its finding of 2.73 readers per copy was considered "high." Year after

year, the Newspaper Advertising Bureau had been finding between 2.1 and 2.2 rpc's. SMRB was 24% higher. Scarborough now settles the argument with a 2.77 finding, just .04 percentage points away from SMRB.

Checking through the two studies, there were 88 newspapers that were measured by both studies, and their combined scores show 2.86 rpc's in SMRB and 2.80 in Scarborough, just a two percent difference.

Now that we can agree that the syndicated studies are correct, the question arises: Why are they 20% higher than NAB's finding?

Actually NAB's 2.2 figure is an SMRB product, too. For some years,

the Newspaper Advertising Bureau, in an attempt to measure the nationwide newspaper audience, has paid SMRB to include in its annual magazine audience study the question: "Did you read a newspaper yesterday?" The magazine study sample includes many readers in smaller markets; SMRB's newspaper study covered just the top 40 ADI's, Scarborough covered the top 50 ADI's, plus Des Moines.

Is the difference because the top markets offer more passalong opportunities than the smaller markets where newspapers are home delivered and have broader coverage, leaving fewer readers to pass the paper to? Or is it because the magazine study used per-



sonal interviews, while the other studies used telephone, with aided recall?

Both factors had an influence, but research by Jeremy Sprague, ex-Foote Cone & Belding media director who now serves the CWO&O rep firm, shows that market size is the major reason.

Sprague analyzed SMRB's magazine study sample, market by market. He found 2.89 rpc's in the New York ADI, a progressively lower score in each descending market group, and only half of New York's rpc's (1.48) in the smallest market group. (See chart.)

The 2.1 average for the entire sam-

ple shows the fallacy of averaging — like the proverbial man with his head in a furnace and his feet on a cake of ice, who on the average, was "comfortable."

Given that both studies are correct and that newspapers have 2.2 rpc's nationally and 2.7 in the top markets, it seems logical that national advertisers would be using the latter figure. Very few advertisers buy all 1,710 daily newspapers; they put 80% of all national dollars into the top 50 ADI's. These top 50 ADI's account for almost half of all newspaper circulation and have 73% of all newspaper readers.

So much for that extra half-reader per copy — small in itself, but im-

portant for a medium that sells 62 million copies daily.

At press time the advertising agencies had just received their Scarborough books and were busy analyzing them. For comments we went to the four agency people who had served on the Advertising Research Foundation committee overseeing these studies:

Ruth Cess, associate director, communications planning, Young & Rubicam: "I have no methodological concerns about these studies. The fact that both studies come up with such similar rpc's is very welcome news. When there was only SMRB, we weren't sure."

Continued on page 172



## Two researchers; one finding



Frank Stanton

With a background at American Home Products, RJR Foods, and Benton & Bowles, Frank Stanton now heads Simmons Media Research Bureau (SMRB), which won the assignment to do the 1982 newspaper audience study. His finding of 2.73 readers per copy was considered "high."



Harold Israel

Harold Israel moved from vp research director of W. R. Simmons Associates to found his own Scarborough Research in 1972. Scarborough was runner-up for the newspapers' 1982 assignment, but decided to produce a second syndicated audience study. Its 2.77 rpc finding validates the SMRB study.

### HOW MANY PEOPLE (from 71)

Larry Roslow, director, media research, SSC&B: "Should help us. Gives an abundance of data. But we'll have to study this carefully, market by market."

Thurman R. Pierce Jr., vp, U.S. manager, print media, J. Walter Thompson Co.: "This should finally allow newspapers to be considered at the planning level, not just as a promotion vehicle."

Chester Bandes, vp director, media research, Doyle Dane Bernbach: "I'd like to see ARF's audit report of Scarborough before commenting. I've asked SMRB to test phone versus personal interview to see how much of a difference that makes. But I have a feeling that passalong must be up today because (1) newspapers are more expensive and (2) they've added special interest features that make non-buyers want to pick up a paper on certain days."

Jack Moloney who monitored the field work for the Newspaper Research Council and the International Newspaper Advertising & Marketing Executives, and who now serves as ARF consultant on the study: "I wasn't surprised by the high readers per copy. I monitored many of those phone calls. The number of respondents who said: 'I borrowed my neighbor's newspaper' or 'I picked it up on the bus' was impressive."

The similarity of findings impressed some on another score. SMRB had gone out into the field in January through July 1982. Scarborough went out in September 1982 through April 1983. Many had expected a seasonal difference in newspaper readership to show up, but it didn't.

Newspapers are expecting that their audience data will be pretty widely used now, because Scarborough is offering its books free to recognized agencies. SMRB charged the agencies for its books, and received some 65 subscriptions. Scarborough already has 64 agencies signing in for its study. The list shows every one of the top ten agencies, except BBDO and Foote Cone & Belding.

Agencies are already calling in for reach and frequency estimations. Both studies are prepared for this because

they made a second call to each household and achieved a completion in 80% of the cases. This allows planners to come their newspaper audience over two or more insertions.

Scarborough showed us a run they made for a domestic airline that services five major ADI's. Using the newspaper with the best coverage of airline travelers in each of the five markets, the advertiser could reach 51.8% of all airline travelers. Expanding this to a five-day cume — one day each week for five weeks — brought the reach to 70.5%.

As we go to press, the advertising Research Foundation is auditing the Scarborough Report. This is more than a formality. Their careful audit of the SMRB study revealed irregularities in the Chicago study and they "recommended" that Chicago be measured a second time in the approved format. It was.

Newspapers are the only medium that submit their audience study to an ARF audit. More than that, the ARF has had a hand in setting a uniform "yesterday readership" methodology that both researchers followed. No one was surprised that the two studies agreed with one another.

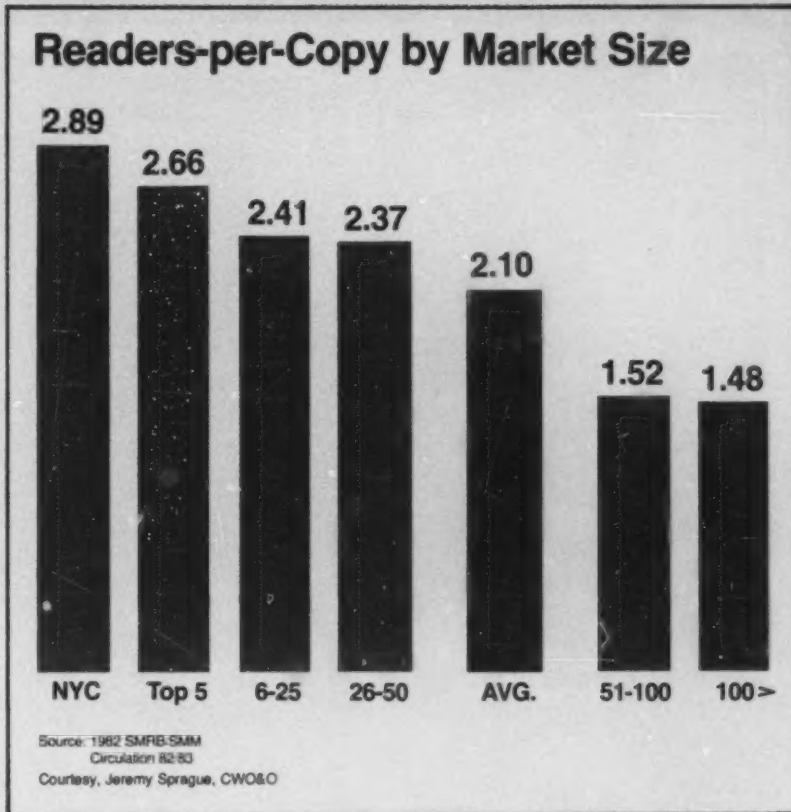
#### Where do we go from here?

Will newspapers continue to offer two audience studies? Every year, or every two years? Will they expand beyond the top 50 ADI's?

The answer lies in the economics of measuring newspapers. It will also lie in the use to which agencies put these studies.

Newspapers are the most expensive media to measure. Nielsen measures network television with one national sample of 1,200 viewers. SMRB gets all the leading magazines into one sample of 19,000. But newspapers need a separate sample for each market. SMRB called 58,000 households, with a second call-back, to measure 109 dailies and 80 Sunday papers in 40 ADI's. Scarborough phoned 65,000 households, measuring 153 dailies, 113 Sundays and three Saturday papers.

And they didn't measure just the newspapers that subscribed to their studies. The agencies that conferred with newspapers on these studies wanted all of the top markets, whether



**COUNTING READERS: The smaller the market, the smaller the passalong.**

or not they had newspaper subscribers. And they wanted data on every newspaper in the market that had at least five percent coverage in the ADI. Scarborough, for example, measured 17 markets in which they had no newspaper subscriber.

Will the next studies reach beyond the top 50 ADI's? Agencies are talking about the top 75. But after you get beyond the 50th ADI — Scranton/Wilkes Barre — markets, newspapers and chances of getting financial support for an audience study get smaller.

Frank Stanton, president of SMRB, says he plans to go out in the field for a repeat study in February 1984. Harold Israel, president of Scarborough, has set no date for another study.

Actually, the Newspaper Research Council and the International Newspaper Advertising & Marketing Executives, who worked together to initiate a syndicated study, feel that

one study is enough, and many of their members feel every two years is frequent enough.

These two groups worked together with the ARF to design a format for the study and invited all researchers to compete for the assignment. After a close race, they chose Bill Simmons' own firm, Three Sigma, which was later taken over by SMRB. But Scarborough, which was a close runner-up, announced that it would produce a second study and solicited newspaper support.

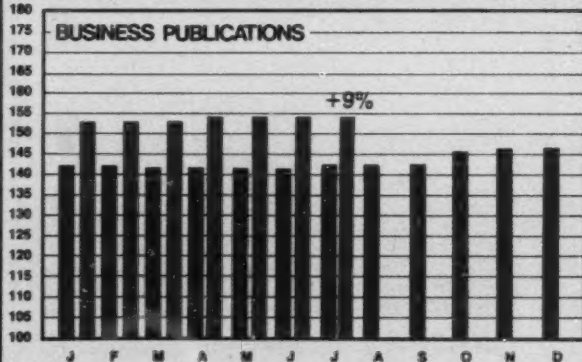
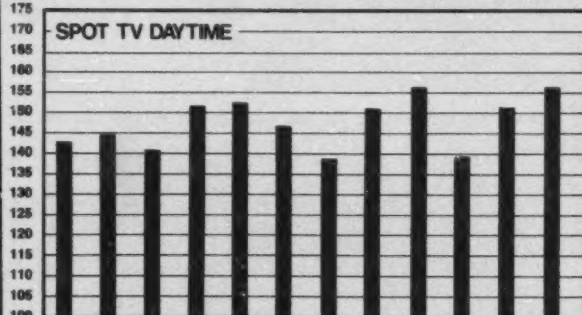
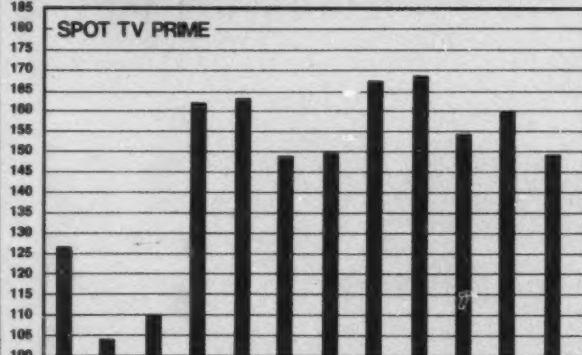
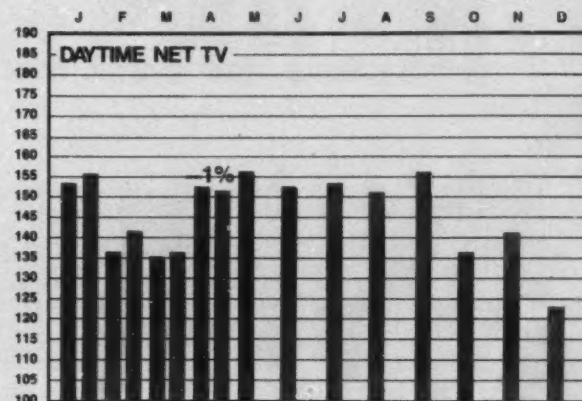
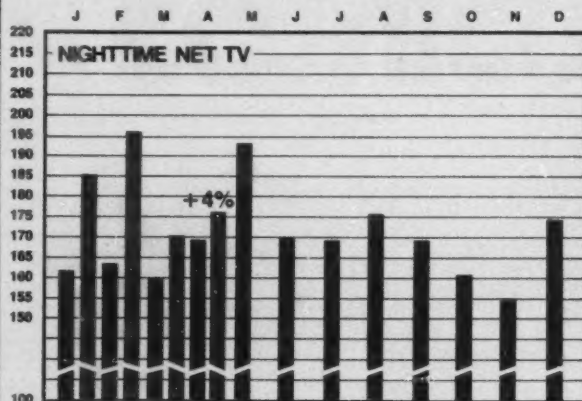
Some newspapers felt that two studies were not only redundant, but might come up with different findings and put the medium in the same leaky boat with consumer magazines.

As it turns out, the second study did perform a useful purpose this year — to validate the unexpectedly high readership found by the first study.

*Lionel Kaufman*

# MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977



The Cost Index shows comparative data for nighttime network and daytime tv, magazines, newspapers, supps, network radio and outdoor posters. Data for spot prime tv, spot daytime and radio are still unavailable.

Nighttime network tv leveled out further in April, and continued to soften in May (not shown) as the market further softened in the second quarter. Daytime network tv returned from earlier softness with a three percent gain over May in 1982.

Consumer magazines remained on a plateau in May with a continued six percent increase over the same month in 1982.

Daily newspapers also held constant with a 10% increase over April and May in 1982. National supplements built on a strong performance early in the year to post a 13% increase over the previous year.

Outdoor posters were also consistent in their pricing, holding the 10% gain picked up in the previous month.

Network radio, after an exceptionally strong first two months, trailed off to 4% gains in the start of the second quarter.

The Media Cost Index reflects trends extracted from available sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled.

Sources: Nighttime Network TV — Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service. Daytime Network TV — Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service. Network Radio — Cost per average 30-second radio announcement from BAR's Network Radio Service. Spot TV — prime and daytime — Cost per 30-second spot, Monday-Sunday from BAR's Spot TV Service.

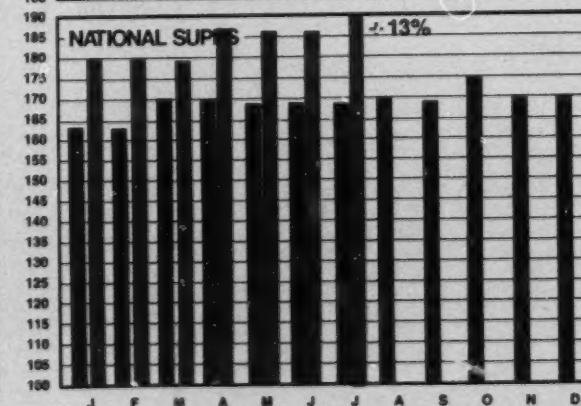
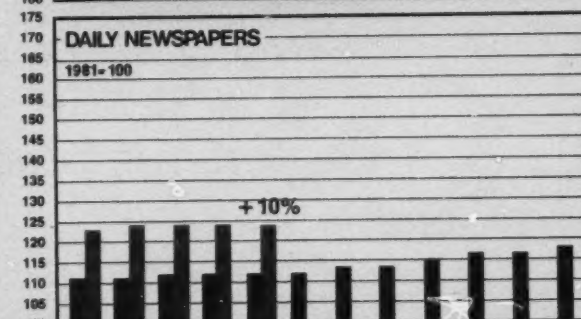
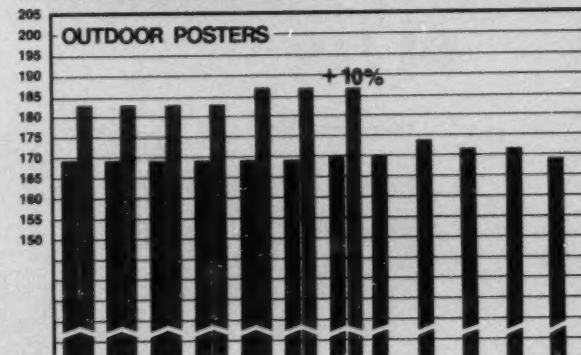
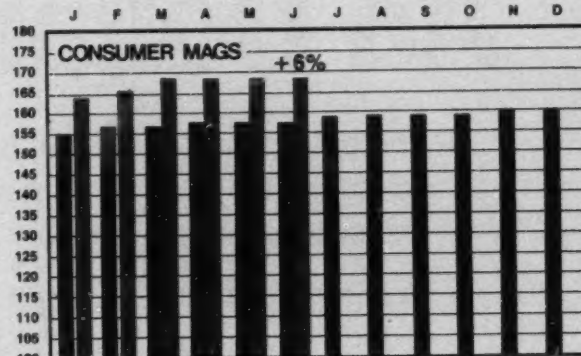
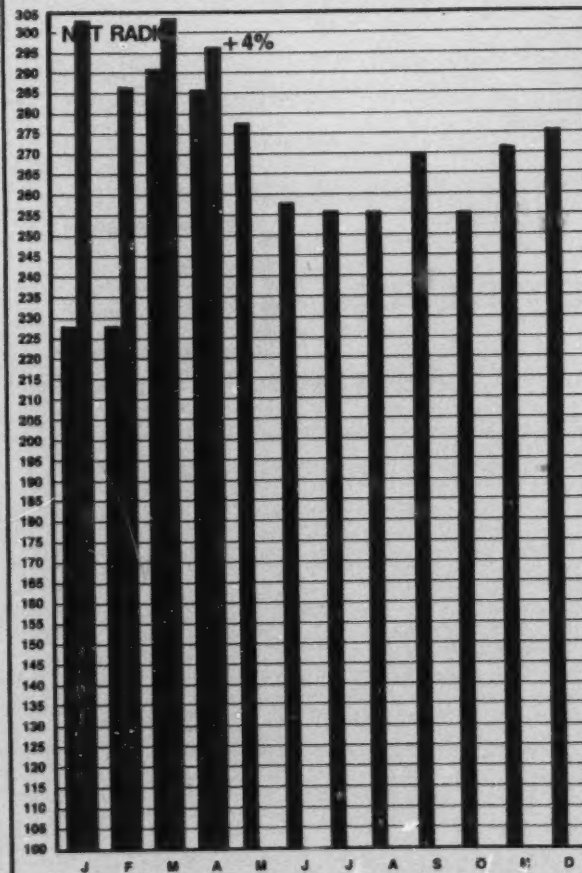
Consumer Magazine estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn. National supplements estimate based on published (rate cards) costs of a page, four-color for the national supplements. Daily Newspapers estimate based on Newspaper Advertising Bureau report of SRDS costs per page line of a sample of 788 newspapers weighted to represent the universe. Business Publications estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications. Outdoor Posters based on estimate prepared by Institute of Outdoor Advertising. Spot Radio data to develop a continuing index are not available at the present.

How to read: Media Cost Index reflects latest available costs compared with base year 1977. Percent change shows rate of change from the same month in previous year.



# MEDIA COST INDEX (continued)

Black bars index for 1982; color bars 1983; base year 1977



# Decisions

**MEDIA  
COSTS  
+9.4%**

Long term trends.  
Budgeting counsel.  
Production costs.  
Cost outlook for  
magazines, newspapers,  
net tv, spot tv,  
business press,  
net radio, spot radio,  
outdoor, cable  
and syndication.

**Featuring  
13th annual  
forecast**

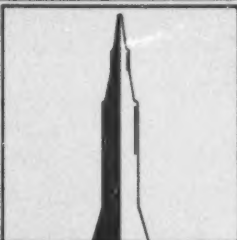
COIM 0155243 Y 5 RD  
JOSEPH MCNALLY  
CONGRESSIONAL TNE SVC  
4520 EAST-WEST HWY #200  
BETHSEDA MD 20814  
OTD

C 2950-3 10/12/83



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## MEDIA COSTS ISSUE



### Media Cost Forecast for 84

Media unit costs for the average national advertiser will rise 9.4% in calendar year 1984. Panel predicts rises in unit costs and cpm's in ten major national media.

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### Cost Trends 1975-1983

| UNIT COST TRENDS | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 (est) |
|------------------|------|------|------|------|------|------|------|------|------------|
| UNIT COST TRENDS | 100  | 100  | 100  | 117  | 109  | 127  | 146  | 138  | 134        |
|                  | 182  | 155  | 137  | 177  | 174  | 157  | 200  | 204  | 175        |
|                  | 206  | 208  | 184  | 225  | 241  | 191  | 243  | 252  | 204        |

### Track Record in Media Costs

The experts at Ted Bates prepared this index of costs in nine major national media from 1970 to 1983. Mediaflation continues, but the cpm, price index comparison holds true.

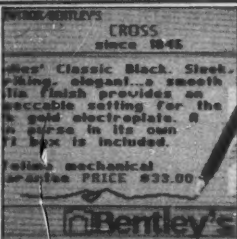
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### Comparative Look at Magazine Costs

Magazine consultant Jim Kobak studies the rate forecast rise, compares magazine rates with those of the other media.

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### Cost Preview of Teletext and Videotex

These new media forms are still in the blueprint stage, but early soundings indicate substantial start-up costs may be in the offing.

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### What Cost Cable?

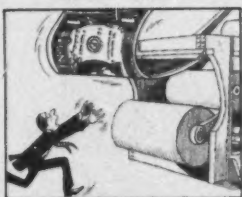
Advertisers and agencies alike are still seeking an accurate measurement of "the new medium" and cost effective national and regional penetration. These questions remain as HUC levels pass 40%.

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### Print Production Costs Hold Firm

A pivotal and crucial area for magazine and newspaper publishers, who must pass along production costs to their customers are working to keep the lid on.

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### Getting the Best from Newspapers

Higher costs will be offset in 1984 by the efficiencies of SAU's, and what many agency media directors perceive as the improved quality of most editorial products.

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### Network Costs Lead the Pack

Erosion may be setting in, but cost increases continue to germinate. The reasons for the rising prices are outlined.

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### Syndie Costs are Rising

Cost relief is no longer a syndicator away. Reports show that, as independent stations gain audience, costs are rising to meet those of the network affiliates.

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### Agencies Look at Commercial Costs

Commercial production costs are being monitored more and more by the agencies, on behalf of their clients.

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### I've Got the Price Right Here

Setting prices for spot tv has been likened to the spontaneous bargaining at an Arabian bazaar. The report examines the process.

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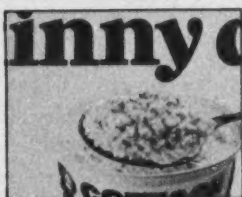
### When Cost Dictates Papers or Mags

Not a comparison but a situation call that dictates when media buyers will use magazines and when they will use newspapers.

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(from 4)

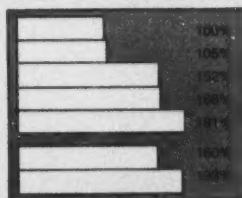


### The Cost Outdoors

Rates are forecast at a 9.8% hike for the outdoor medium. Whether as a supporting arm or as a continuing campaign vehicle, outdoor makes its case for constant use.

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### The Cost Efficient Medium?

Radio has been talking about the economic way it spends advertiser dollars. There are some cases in point.

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### The Cost of Learning

There are many new media coming on the national scene that defy measurement, force professionals to learn their nature and make a cost effective judgment.

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### Cost Trends in Commercial Production — Last of the Big Spenders/Big Savers

Why do certain advertisers continue to authorize six-figure commercial production budgets? Why are others opting for out-of-New York directors.

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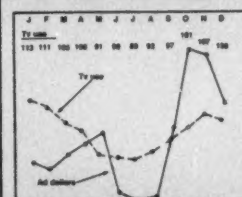


### How Big Advertisers Budget

Report of how largest categories of consumer advertisers allocate ad dollars. Based on *Decisions'* Top 200 Advertised Brands report.

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### Budgeting for All Seasons

Variations in budgeting include two aspects of seasonality: (1) when ad budgets are prepared and set, (2) time of the year when advertisers load up in tv, newspapers, radio and magazines.

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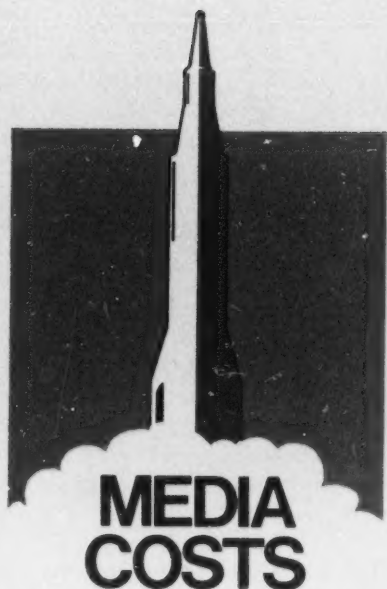


### Client's View of Network TV

Off-the record survey among leading network tv advertisers reveals they're as dedicated as ever to the medium in 1983-84 despite rate hikes.

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# Media cost in 1984 will jump another 9.4%

13th annual *Decisions* Forecast of Media Cost shows audience growth stymied, but media raising rates boldly — from +7.3% to +10.9% Costs since 1970 have skyrocketed by 227%. Search intensifies for alternatives to highest cost media.

**M**edia cost for the average national advertiser will rise 9.4% in 1984.

That's how much advertisers will have to increase their dollar expenditures in the next calendar year in order to buy the same media units they purchased this year.

Because there will be virtually no increase in audience for the average advertiser's media mix in 1984 vs. 1983, cost per thousand also will rise by 9.4%.

These are the top-line findings in *Decisions'* 13th annual Media Cost Forecast. It is based on off-the-record estimates furnished by a panel of top agency media directors.

This lifts the longterm index of media cost (with index 100 for 1970) to an index figure of 327. In other words, media costs have skyrocketed by 227% since 1970.

Each of ten major media covered in the forecast will advance in price considerably next year — with the most modest increase, that for business publications, at +7.3%. The greatest jump expected will be in spot tv,

+10.9%. Consumer magazines and network radio are about midway in this inflationary spectrum at +9.0% each.

The overall increase is close to what national advertisers had to stomach this year — an increase of 9.1% in units and 9.6% in cpm's.

The accuracy of the forecast continues to hold up reasonably well. Unit cost increases in 1983 as currently reported by the panel compared to the panel's estimates for the 10 media that we published last year follow.

The accompanying tables and charts show the average estimate for each medium made by our panel of distinguished media experts. This includes their estimates of changes in unit cost and in cpm's for each medium. It also displays the range in forecast in each case made by individual panelists. The range in some cases is quite wide, indicating great difference in experiences of individual buyers. The details are furnished in tabular form both for the estimate of changes expected in calendar year 1984 and for the actual changes experienced in year 1983.



Highlights for individual media are as follows:

**Night network tv** costs have in recent years led the pack in cost hikes. But not this year. Advertising agency people have been tracking the inroads made in audience by cable, the independents and the array of new devices for use of the tv screen for playing games watching cassette-originated entertainment, etc. The panel places unit cost increase in 1984 at +9.6%, audience loss at -1.9% and cpm increase at 11.5%.

This view is right in line with a report in the August issue of *Decisions* based on telephone interviews with 25 leading net tv advertisers. The company-side executives responsible for over \$2 billion in net tv advertising said they expect nighttime net tv costs in 1984 to go up 10%. On a cpm basis,

the agency people predict higher rise.

**Day network tv** costs are expected to go up 8.1% in unit costs in 1984 — about the same as the cost increase in daytime tv this year. The previous survey among big users of network tv disclosed that a favorite alternative to advertisers trying to escape high nighttime tv prices is daytime. We wouldn't be surprised to see day net rise more than 8.1% in unit cost and +8.4% in cpm's.

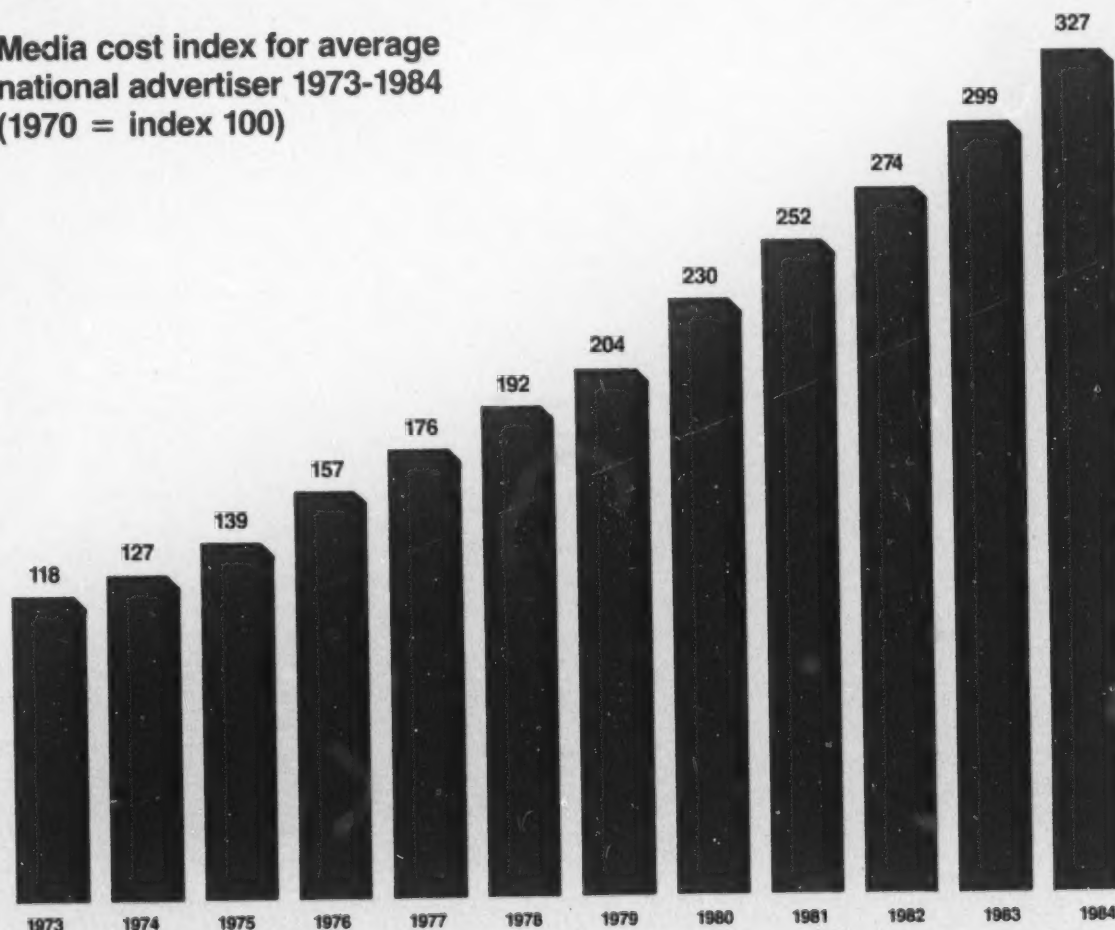
**Spot tv** will also benefit greatly in the year ahead as an alternative to network. This added strength for spot tv is reflected in the forecast of a unit cost hike of 10.9% in 1984, the highest of any medium. With the panel predicting no change in audience for spot, this also brings up a 10.9% increase in cpm in the panel's estimation.

**Network radio's** strength continues. Several tv advertisers have tried switching dollars into network radio in order to keep costs in line — and results have been positive. This use of net radio as an alternative medium will doubtless continue in 1984 — and the nets will probably get a healthy 9.0% in prices, the panel predicts.

**Spot radio** will also raise rates slightly less than net radio. Prices are due to rise 8.7% in 1984 — considerably more than the 7.5% price rise spot radio is getting in 1983. Audience for this medium is expected to continue to increase, which helps put the cpm rise at a relatively low 8.0%.

**Consumer magazines** are enjoying some good years. The publishers were confident enough in 1983 to raise rates 9.2% — and they're going to up them

**Media cost index for average national advertiser 1973-1984**  
(1970 = index 100)



# SUPER SUPER SUPER

## A SUPER Newspaper in a SUPER Market THE TAMPA TRIBUNE

Reach more  
Sales  
Producing  
Prospects  
With

Tampa Bay's  
QUALITY BUY...

Find out why The Tampa Tribune is the quality buy in the Tampa Bay market. Just send us your business card and we'll mail you our latest market brief, "The Quality Buy."

Contact:  
Byron Taggart, General Advertising Mgr. c/o  
The Tampa Tribune P.O. Box 191 Tampa, FL  
33601 (813) 272-7447

THE  
TAMPA TRIBUNE  
Morning and Sunday



Represented by Sawyer Ferguson Walker  
Source: SAMM, Survey of Buying Power,  
July, 1982

Site of the 1984  
SUPER  
BOWL!

### Media cost rises in calendar year 1983 vs. 1982

| Average increases     | Unit cost | Audience | Cpm     |
|-----------------------|-----------|----------|---------|
| Nighttime network tv  | + 10.3%   | + 0.2%   | + 10.1% |
| Daytime network tv    | + 8.4%    | - 0.8%   | + 9.2%  |
| Spot tv               | + 8.1%    | + 0.3%   | + 7.8%  |
| Network radio         | + 7.8%    | + 1.0%   | + 6.8%  |
| Spot radio            | + 7.5%    | + 0.7%   | + 6.8%  |
| Consumer magazines    | + 9.2%    | + 0.3%   | + 8.9%  |
| Sunday supps          | + 8.1%    | - 0.2%   | + 8.3%  |
| Daily newspapers      | + 9.9%    | + 0.6%   | + 9.3%  |
| Outdoor posters       | + 8.7%    | + 1.2%   | + 7.5%  |
| Business publications | + 8.0%    | + 0.1%   | + 7.9%  |

#### Range in forecasts (the highs and lows)

|                       |         |          |         |
|-----------------------|---------|----------|---------|
| Nighttime network tv  | + 7/14% | + 1/- 3% | + 1/16% |
| Daytime network tv    | + 2/12% | ± 0/- 1% | + 6/14% |
| Spot tv               | + 4/12% | + 2/- 1% | + 5/10% |
| Network radio         | + 4/12% | ± 0/+ 2% | + 2/11% |
| Spot radio            | + 6/10% | ± 0/+ 2% | + 4/10% |
| Consumer magazines    | + 8/11% | + 1/- 1% | + 6/10% |
| Sunday supps          | + 6/10% | + 1/- 1% | + 6/10% |
| Daily newspapers      | + 7/20% | + 1/- 1% | + 7/11% |
| Outdoor posters       | + 8/10% | ± 0/+ 2% | + 5/9%  |
| Business publications | + 6/10% | ± 0/+ 1% | + 7/10% |

### Anticipated media cost rises in calendar year 1984 vs. 1983

| Average increases     | Unit cost | Audience | Cpm     |
|-----------------------|-----------|----------|---------|
| Nighttime network tv  | + 9.6%    | - 1.9%   | + 11.5% |
| Daytime network tv    | + 8.1%    | - 0.3%   | + 8.4%  |
| Spot tv               | + 10.9%   | ± 0%     | + 10.9% |
| Network radio         | + 9.0%    | - 0.8%   | + 9.8%  |
| Spot radio            | + 8.7%    | + 0.7%   | + 8.0%  |
| Consumer magazines    | + 9.0%    | + 0.5%   | + 8.5%  |
| Sunday supps          | + 7.9%    | + 0.1%   | + 7.8%  |
| Daily newspapers      | + 9.3%    | - 0.2%   | + 9.5%  |
| Outdoor posters       | + 9.8%    | + 2.4%   | + 7.4%  |
| Business publications | + 7.3%    | + 0.5%   | + 6.8%  |

#### Range in forecasts (the highs and lows)

|                       |         |           |           |
|-----------------------|---------|-----------|-----------|
| Nighttime network tv  | + 7/12% | ± 0/- 4%  | + 7/+ 15% |
| Daytime network tv    | + 5/15% | + 1/- 3%  | + 6/+ 13% |
| Spot tv               | + 8/15% | + 2/- 1%  | + 8/+ 15% |
| Network radio         | + 5/12% | + 2/- 13% | + 4/+ 24% |
| Spot radio            | + 7/12% | ± 0/+ 2%  | + 6/+ 11% |
| Consumer magazines    | + 7/13% | ± 0/+ 3%  | + 6/+ 12% |
| Sunday supps          | + 6/10% | + 1/- 1%  | + 6/+ 10% |
| Daily newspapers      | + 6/15% | ± 0/- 1%  | + 7/+ 18% |
| Outdoor posters       | + 5/25% | ± 0/+ 5%  | + 5/+ 10% |
| Business publications | + 7/10% | ± 0/+ 2%  | + 6/+ 10% |

again by 9.0% in 1984. Slight expansion of audiences will keep the cpm rise down to +8.5%.

**Sunday supps**, the panelists believe, will lag behind consumer magazines in their pricing in 1984. The increase will be a very low 7.9% in units and 7.8% in cpm's.

**Daily newspapers** continue strong in spite of no overall increase in audience in the prediction for 1984. Unit costs, say the panelists, will rise 9.3% and cpm's will rise 9.5%.

**Outdoor posters** are credited by the panelists as building a good audience increase next year — up 2.4%. The mobility of Americans continues to be high and new panel construction includes more lighting, better locations and more backlighting. The forecast: +9.8% in prices and +7.4% in cpm's.

**Business publications** are expected to post the most modest price rises of all the media — plus 7.3% in units and plus 6.8% in cpm's.

The longterm trend charts for media pricing published elsewhere in this issue do not include a track record for business publications. We have developed such a record and extend it to include the forecast for 1984.

### Conclusions

Several of the panelists offered additional off-the-record comments. Said an agencyman who believes the price spiral revolves around prime time tv pricing: "There will be continued audience erosion in prime time (-3%), somewhat less in daytime tv and spot

tv (-1%). Costs will continue to outstrip inflation, but large advertiser shifts away from prime time will keep unit prices below +10%. Up-front buying guarantees prime prices. Daytime also keeps average unit prices from double digit increases, even though demand may be strong."

Adds an agencyman in the South: "Some buyers seem to believe that network television prices will accelerate rapidly — partly due to improved economy and partly due to reduced inventory (election, Olympics). I disagree. I think many national advertisers are beginning to feel comfortable with alternative media like cable and

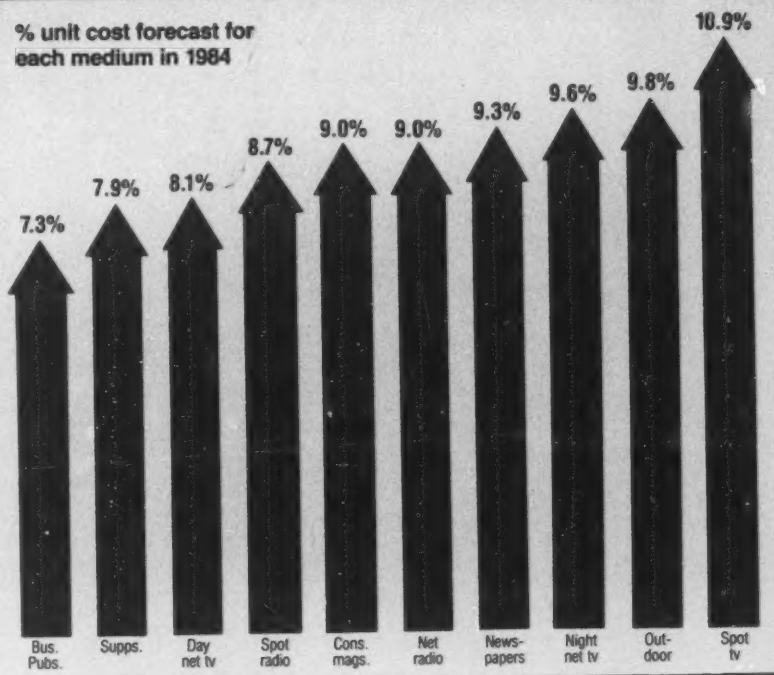
network radio — and will resist pressure for network tv increases."

Says a New Yorker: "We anticipate a slowing of the rate of increase in television — both network and spot. We anticipate less of a unit cost and cpm increase in all media with the exception of the daily newspapers. Newspapers continue to put through rate increases at higher levels than most other media. We also put through rate increases at higher levels than most other media. We also anticipate a reduction in the audience loss of television. The tv audience seems to be stabilizing or at least declining at a reduced rate. There are two reasons for this: (1) better programming between networks, particularly in the area of specials and mini-series; (2) a disenchantment on the part of cable viewers in the programing presented on cable channels."

Says a Midwesterner: "Our experience this year in broadcast demonstrated that timing was a key factor. The up-front network market was exceedingly high while later prices were below the up-front ones. In spot, we had much success buying longterm during fourth quarter of 1982. In 1984, timing will again be the key to pricing."

Carroll Swan

% unit cost forecast for each medium in 1984



## Green Bay Press-Gazette 1st in Metro Area Coverage in Wisconsin

| Newspaper (e & S)       | Home SMA Coverage* |       |
|-------------------------|--------------------|-------|
|                         | Eve.               | Sun.  |
| GREEN BAY PRESS-GAZETTE | 74.7%              | 77.6% |
| Appleton Post-Crescent  | 43.9               | 50.4  |
| Madison Newspapers      | 24.1               | 63.0  |
| Milwaukee Journal       | 54.8               | 73.0  |

The Green Bay Press-Gazette nationally ranks 2nd in evening and 4th in Sunday Metro Area penetration.

### GREEN BAY PRESS-GAZETTE

56,000 evening 72,000 Sunday

Represented by Gannett Newspaper Advertising sales.





# The return of media inflation

The Media Information and Analysis Division, headed up by Ted Bates, Inc. vp Fred Brandt, reports that media inflation, the nemesis that abated somewhat during 1980-81, only to re-emerge last year, is, unfortunately still with us. The article was prepared by Deborah Ellis, supervisor, MIAD.

**T**ed Bates Advertising/New York, has for some time, prepared an annual media cost trend analysis. This particular study, with trend purposes in mind, tracks advertising expenditures, unit costs, audiences and cost efficiencies (cpm's) from 1975 through 1981. A review of the past trends in measured economic indicators (CPI/GNP) provides a benchmark for our analysis. In the past we have identified 1976-79 as the "boom years," which serves as the immediate background to the 80's. During this period there generally was a dramatic increase in cpm's across all media, especially in the tv area. (See following charts.)

During the period immediately following — 1980-81 — the rate of media cpm increases abated somewhat from highs of the "boom years." However, now it appears this deceleration or "lull" period was regrettably short-lived. It seems to have ended in 1982 with the reemergence of higher-than-inflation media costs across the board. It is this change that will form the focus of this report and we will conclude by discussing projected

media cost increases for 1983.

## 1980-1981 — The calm between two storms?

In the beginning of the 1980's, increases in media cost efficiencies began to decline, specifically in the broadcast area. (See pg. 34.) While there were increases for all media elements analyzed, those for the tv medium, both network and spot, were not as great as what occurred during the "boom years." Economic policies geared toward arresting inflation would seem to have had their desired effect. The CPI declined from 12.4% in 1980 to 9.3% in 1981. One might reasonably designate this period of dis-inflation a "lull" period for it does not continue into 1982.

During this "lull" period, average cpm increases did not exceed the CPI. In fact, when compared to the "boom

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**EDITOR'S NOTE:** Fred Brandt is the vice president and director of the Media Information and Analysis Division at Ted Bates, Inc.

year," most media elements saw a deceleration in their cpm growth rates. Network television saw a dramatic decline in cpm increases for both daytime (to 9%) and evening (to 10%), while spot television also experienced a deceleration in cpm (down to 6%). Spot radio decreased slightly (to 7%) while network radio and newspapers maintained past increases (8 and 9% respectively). Supplements and outdoor showed slight increases (10% for both) as did magazines (11%).

### Advertising volume performance

During the same 1980-81 period, advertising volume increased by an annual rate of 11%, while the Gross National Product grew only 10%. Chart A indicates that since 1975, the annual growth in advertising volume has exceeded that of the GNP, and this relationship continues to hold true in 1982, with advertising volume increasing 10% and the GNP up only 5%. Despite the fact that the economy is in a recession and hence has a slower GNP

growth rate, advertising volume seems not to have been greatly affected. The 1982 relationship specifically, might prove to be somewhat more significant. In fact, not since 1976 (the onset of the "boom years") has advertising volume increased at a rate virtually double that of GNP. Interestingly, even though yearly ad volume growth has been at double digit levels since 1975, the relationship of *national* to *total* ad dollars has remained quite constant at about 28%. (See Chart B.)

## Cost Trends 1975-1983

|                                 | DAY<br>NET<br>TV | EVEN<br>NET<br>TV | SPOT<br>TV | MAG | NEWS | SUPP | SPOT<br>RADIO | NET<br>RAD | OUT<br>DOOR | CPI |
|---------------------------------|------------------|-------------------|------------|-----|------|------|---------------|------------|-------------|-----|
| <b>UNIT COST TRENDS</b>         |                  |                   |            |     |      |      |               |            |             |     |
| 1975                            | 100              | 100               | 100        | 100 | 100  | 100  | 100           | 100        | 100         |     |
| 1976                            | 117              | 109               | 127        | 103 | 110  | 103  | 118           | 105        | 108         |     |
| 1977                            | 146              | 138               | 134        | 111 | 121  | 119  | 133           | 120        | 119         |     |
| 1978                            | 162              | 155               | 137        | 121 | 132  | 128  | 147           | 131        | 133         |     |
| 1979                            | 177              | 174               | 157        | 131 | 143  | 139  | 163           | 140        | 147         |     |
| 1980                            | 200              | 204               | 175        | 146 | 157  | 153  | 184           | 160        | 164         |     |
| 1981                            | 206              | 208               | 184        | 162 | 175  | 171  | 208           | 189        | 182         |     |
| 1982                            | 225              | 241               | 191        | 175 | 195  | 193  | 234           | 223        | 220         |     |
| 1983 (est)                      | 243              | 252               | 204        | 187 | 214  | 204  | 263           | 256        | 238         |     |
| <b>AUDIENCE TRENDS</b>          |                  |                   |            |     |      |      |               |            |             |     |
| 1975                            | 100              | 100               | 100        | 100 | 100  | 100  | 100           | 100        | 100         |     |
| 1976                            | 93               | 100               | 102        | 101 | 101  | 100  | 105           | 96         | 101         |     |
| 1977                            | 91               | 101               | 102        | 101 | 101  | 97   | 109           | 100        | 102         |     |
| 1978                            | 93               | 104               | 105        | 100 | 102  | 103  | 114           | 102        | 103         |     |
| 1979                            | 97               | 104               | 110        | 100 | 103  | 103  | 120           | 102        | 103         |     |
| 1980                            | 99               | 107               | 114        | 100 | 103  | 104  | 127           | 111        | 104         |     |
| 1981                            | 95               | 103               | 114        | 99  | 101  | 105  | 134           | 122        | 105         |     |
| 1982                            | 94               | 96                | 108        | 99  | 102  | 105  | 142           | 134        | 114         |     |
| 1983 (est)                      | 94               | 92                | 107        | 99  | 102  | 105  | 149           | 141        | 116         |     |
| <b>COST-PER-THOUSAND TRENDS</b> |                  |                   |            |     |      |      |               |            |             |     |
| 1975                            | 100              | 100               | 100        | 100 | 100  | 100  | 100           | 100        | 100         | 100 |
| 1976                            | 125              | 108               | 125        | 102 | 110  | 103  | 112           | 110        | 106         | 105 |
| 1977                            | 161              | 136               | 131        | 111 | 119  | 122  | 122           | 119        | 115         | 112 |
| 1978                            | 174              | 149               | 131        | 122 | 129  | 124  | 129           | 129        | 127         | 122 |
| 1979                            | 182              | 167               | 143        | 131 | 139  | 134  | 135           | 135        | 142         | 135 |
| 1980                            | 203              | 190               | 154        | 147 | 153  | 147  | 145           | 144        | 157         | 153 |
| 1981                            | 218              | 203               | 162        | 164 | 173  | 163  | 155           | 155        | 173         | 169 |
| 1982                            | 238              | 251               | 176        | 177 | 191  | 183  | 164           | 166        | 191         | 179 |
| 1983 (est)                      | 258              | 276               | 190        | 189 | 210  | 193  | 176           | 182        | 202         | 189 |

# Charting the Relevant Data

## Total Advertising Volume and Gross National Product

A

| Year        | Ad Volume |                     | GNP       |                     | Ad Volume As % of GNP |
|-------------|-----------|---------------------|-----------|---------------------|-----------------------|
|             | Millions  | Yr. to Yr. % Change | Billions  | Yr. to Yr. % Change |                       |
| 1975        | \$28,160  |                     | \$1,549.2 |                     | 1.82                  |
| 1976        | 33,690    | +20                 | 1,718.0   | +11                 | 1.96                  |
| 1977        | 37,920    | +13                 | 1,918.3   | +12                 | 1.98                  |
| 1978        | 43,950    | +16                 | 2,163.9   | +13                 | 2.03                  |
| 1979        | 49,520    | +13                 | 2,417.8   | +12                 | 2.05                  |
| 1980        | 54,680    | +10                 | 2,633.1   | +9                  | 2.08                  |
| 1981        | 61,500    | +12                 | 2,937.7   | +12                 | 2.09                  |
| 1982        | 67,920    | +10                 | 3,074.0   | +5                  | 2.21                  |
| 1983 (est.) | 75,665    | +11                 | 3,360.0   | +9                  | 2.25                  |

## National Advertising Volume as Percent of Total Advertising

B

| Year | Total (millions) | National (millions) | National as % of Total |
|------|------------------|---------------------|------------------------|
| 1975 | \$28,160         | \$ 7,354            | 26                     |
| 1976 | 33,690           | 9,177               | 27                     |
| 1977 | 37,920           | 10,601              | 28                     |
| 1978 | 43,950           | 12,199              | 28                     |
| 1979 | 49,520           | 13,672              | 28                     |
| 1980 | 54,680           | 15,227              | 28                     |
| 1981 | 61,500           | 17,102              | 28                     |
| 1982 | 67,920           | 19,020              | 28                     |

## National Expenditure Trend

C

| Year | NET TV | SPOT TV | MAG | NEWS/SUPP | RADIO | OUT-DOOR |
|------|--------|---------|-----|-----------|-------|----------|
| 1975 | 100    | 100     | 100 | 100       | 100   | 100      |
| 1976 | 124    | 133     | 122 | 123       | 120   | 115      |
| 1977 | 150    | 136     | 148 | 137       | 132   | 132      |
| 1978 | 172    | 161     | 177 | 146       | 148   | 140      |
| 1979 | 199    | 177     | 200 | 171       | 160   | 161      |
| 1980 | 222    | 201     | 215 | 193       | 185   | 165      |
| 1981 | 242    | 230     | 241 | 224       | 215   | 190      |
| 1982 | 270    | 260     | 260 | 252       | 235   | 211      |

## Percent Average Yearly Increases in CPM

D

|                  | 1976-79 | 1980-81 |
|------------------|---------|---------|
| <b>Broadcast</b> |         |         |
| Day Net TV       | +17     | +9      |
| Eve Net TV       | +14     | +10     |
| Spot TV          | +10     | +6      |
| Net Radio        | +8      | +8      |
| Spot Radio       | +8      | +7      |
| <b>Print</b>     |         |         |
| Magazines        | +7      | +11     |
| Supplements      | +8      | +10     |
| Newspapers       | +9      | +9      |
| <b>Outdoor</b>   |         |         |
| Posters          | +9      | +10     |
| <b>CPI</b>       | +8      | +11     |

## Percent Average Yearly Increase in CPM

E

|                  | 1980 | 1981 | 1982 | 1983* |
|------------------|------|------|------|-------|
| <b>Broadcast</b> |      |      |      |       |
| Day Net TV       | 11   | 8    | 9    | 8     |
| Eve Net TV       | 14   | 7    | 24   | 10    |
| Spot TV          | 8    | 4    | 9    | 8     |
| Net Radio        | 5    | 10   | 7    | 10    |
| Spot Radio       | 7    | 7    | 6    | 7     |
| <b>Print</b>     |      |      |      |       |
| Magazines        | 11   | 11   | 8    | 6     |
| Supplements      | 9    | 11   | 12   | 6     |
| Newspapers       | 9    | 9    | 10   | 10    |
| <b>Outdoor</b>   |      |      |      |       |
| Posters          | 11   | 10   | 10   | 6     |
| <b>CPI</b>       | 12   | 9    | 6    | 6     |

\* Projections



## 1982 — "Boom"-erang

cpm increases for 1982 exceeded the growth in the inflation rate for eight of the nine media elements analyzed, signaling an apparent end to the "lull" in media inflation. (See Chart E.) Evening network television and supplements posted the largest cpm increases (24% and 12% respectively), while day network and spot television posted similar cpm increases (9%) as did newspapers and outdoor (10%). Magazines (8%), spot (6%) and network (7%) radio increased at rates equal to or slightly higher than the CPI (6%).

It's quite probable that evening network tv's enormous cpm increase (24% — more than double that of other media) is attributable to many factors. We are told that for the 1981-82 television season, a large portion of commercial time was purchased "up-front," i.e. committed for prior to the start of the tv season.

Additionally, for virtually all "up-front" buys, the networks had

"guaranteed" the cpm performance of schedules. With prime time network audiences declining at a rate faster than the network research "gurus" had foreseen, a great deal of 2nd and 3rd quarter 1982 inventory was diverted for "makegoods." Thus, the limited remaining "scatter" marketplace proved to be extremely expensive.

### Projections for 1983

Ted Bates anticipates cpm increases for 1983 that will once again be larger than the estimated growth in inflation (CPI). The Conference Board's estimate for the 1983 CPI is about 6% which parallels our cpm increase estimates for outdoor, supplements and magazines (all 6%). Newspapers should increase at the same rate as in 1982 — 10%. Television (hopefully) should see more moderate increases compared to 1982 — 8% for daytime, 10% for evening network television and 8% for spot television. On the other hand, radio cpm growth rates will accelerate slightly, 10% for net and 7% for spot.

How long media cpm increases can continue at such high rates is a key question, especially when inflation appears to be moving at a "moderate" pace. The answer to that question appears to be elusive, and to quote an overused cliché, "only time will tell."

### FOOTNOTE:

Tables report trends in index form, with 1975, the base year, indexed at 100. These estimates are based on unit costs of 30 seconds for TV and Network Radio, 60 seconds for Spot Radio, one page four-color for Magazines, milline black and white for Newspapers, one page four color for Supplements, and 100 showing for Outdoor through 1981; 1982-83 based on increases in 50 showing. Audience levels and CPM's are based on women 18+ for Day Network, total persons 2+ for Evening Network; TV households for Spot TV, persons 12+ for Radio; circulation for Magazines, Newspapers and Supplements; and total population for Outdoor. Sources for audience information are "Network and Spot TV — A. C. Nielsen; Network Radio — "RADAR"; Spot Radio — Arbitron; Magazines — Magazine Publishers Association; Newspapers — Newspaper Advertising Bureau; Supplements — Standard Rate and Data; Outdoor — Outdoor Bureau and estimates. Figures for 1983 are Ted Bates' estimates.

### NOTE regarding CPI:

CPI is based on increases in yearly average rather than December to December.

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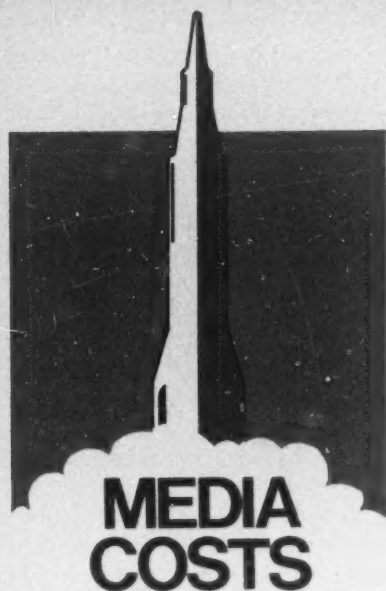
|                          |     |
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# Magazines sail through

We may have come through the worst recession since World War II, but magazines have hardly noticed. Industry consultant Jim Kobak notes that advertising pages have already bounced back from a slight downturn in 1982 and advertising dollars, up some 6% in 1982, figure to show a rise of more than ten percent in 1983.

The magazine industry sailed through the worst recession since World War II last year with hardly a bow. While there was some softness in advertising pages and newsstand sales, just about every other indicator was up.

## Consumer magazines

There are 100 more titles listed in Standard Rate & Data than a year ago. These include such notable names as

*Muppet*, *Unique Homes*, *PC*, *Family Computing*, *Nibble* and many others devoted to personal computers as well as magazines in many other fields.

While some 240 new magazines are included, 130 have been deleted, including some older ones — *Book Digest*, *Camera 35*, and *A.D.*, along with a few new ones which failed to make it, such as *Prime Time*, *Inside Sports* and *Elan*. *Saturday Review*, as has been its wont in recent years, was both deleted and later in the year, added.

Advertising pages in the major magazines were down slightly in 1982, but have bounced back nicely this year with gains in the 5-10% area.

Advertising dollars in 1982 were ahead by some 6% despite the recession, and are up more than 10% in 1983.



**MAN FOR THE MAGAZINES:**  
Consultant James Kobak

Single copy sales were down marginally in 1982 and that drop continued this year.

The loss in single copy sales has been more than offset by increases in subscriptions and there was a total circulation increase in 1982 of some 4 1/2%. 1983 data for the first six months show a further gain of 1 1/2%.

The figures show in chart A:

#### Business magazines

There are 170 more titles listed in Standard Rate & Data now than a year ago. This is the net of 330 started and 160 deleted. And, while almost 100 of the new ones have to do with medical and electronic areas, surprisingly some 92 different fields spawned more new publications, including many of those which are most depressed.

The effects of a recession normally

are felt by business magazines some 6 to 9 months after it starts. This one was no exception. During 1982, advertising pages were down by only 2%. During the first six months of 1983, however, they were off 10%, primarily because of very heavy losses in heavy industry, oil and a few other classifications. With the recession over, this situation should soon be corrected.

Advertising dollars, however, grew some 8% in 1982 and rate increases for this year should result in another gain.

Circulation continued to climb in 1982 in chart B.

#### Advertising rates

With the continued strength in advertising, consumer magazines have continued to increase their advertising rates. In 1982 they advance some 9%, another 6% is indicated for 1983 and

the latest *Marketing and Media Decisions* survey indicates that 9% more will take place in the next year.

Even so, the increase since 1970 has been much less than the Consumer Price Index (Table I) and less than most of the other major media (Table II). Since 1977, however, the increases have been close to those of the consumer index and if the projected rises take place, will go beyond it.

Circulation prices have continued their increases during 1982 and, from current data, the peak does not yet seem to have been reached (Table III). Circulation continues to take a larger share of the revenue (Table IV).

Business magazine prices rose some 9% in 1983. With the current softness in advertising for many publications, a smaller increase is expected next year, some 7.3%. Overall, ad rates have lagged behind the standard economic indices (Table V). Circulation prices continue to escalate (Table VI) and income from circulation this year will be a larger portion of the total than in the past (Table VII).

#### Costs

Publishers have benefited from a hiatus in the seemingly endless cost spiral. During the past year, paper prices have declined some 8% as producers have experienced an overcapacity of facilities. Postage rates have not changed for some time, and the Postmaster has promised no further increases before 1985. Printing increased only moderately this year and publishers, along with other companies, have reduced the size of the increases which have been awarded to employees. (Table VIII.)

In the area of improving their operations, the major change during the last year has been in the weight of paper used. With the continued improvement in the quality of lesser weight paper, the percentage of these grades has become a larger share of that used, resulting in savings not only in paper costs, but also in postage.

**Basic data for consumer magazines  
selected years — 1960-1982**

**A**

|                                     | 1982    | 1981    | 1980    | 1970    | 1960   |
|-------------------------------------|---------|---------|---------|---------|--------|
| Number, including farm publications | 1,644   | 1,541   | 1,506   | 1,182   | 1,005  |
| Advertising in major magazines      |         |         |         |         |        |
| Pages (per year)                    | 120,800 | 121,500 | 115,300 | 76,900  | 74,900 |
| Dollars (millions per year)         | \$3,421 | \$3,222 | \$2,374 | \$1,169 | \$830  |
| Circulation per issue               |         |         |         |         |        |
| ABC audited magazines (millions)    |         |         |         |         |        |
| Single copy                         | 96      | 87      | 91      | 70      | 62     |
| Subscription                        | 217     | 203     | 174     | 173     | 128    |
| Total                               | 303     | 290     | 265     | 243     | 190    |

**Basic data for business magazines  
selected years — 1960-1982**

**B**

|                                  | 1982    | 1981    | 1980    | 1970  | 1960  |
|----------------------------------|---------|---------|---------|-------|-------|
| Number                           | 2,846   | 2,675   | 2,364   | 2,376 | 2,310 |
| Advertising in major magazines   |         |         |         |       |       |
| Pages (thousands per year)       | 1,741   | 1,776   | 1,480   | 1,093 | 1,200 |
| Dollars (millions per year)      | \$2,328 | \$2,156 | \$1,495 | \$636 | \$547 |
| Circulation per issue (millions) | 71.5    | 70.0    | 66.8    | 62.3  | 47.6  |

|              | 1982  | 1981  |
|--------------|-------|-------|
| 32-36 pounds | 57.2% | 53.8% |
| 38-44        | 23.6  | 28.0  |
| 45-50        | 8.6   | 8.4   |
| 60 and over  | 10.6  | 9.7   |



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ABC, June 30, 1983



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Table I

### Consumer magazines advertising rate index

|             | Unit Rates | Cost-per<br>Thousand | Consumer<br>Price<br>Index |
|-------------|------------|----------------------|----------------------------|
| 1970        | 100        | 100                  | 100                        |
| 1977        | 119        | 123                  | 156                        |
| 1978        | 130        | 135                  | 168                        |
| 1979        | 140        | 146                  | 187                        |
| 1980        | 156        | 162                  | 212                        |
| 1981        | 173        | 179                  | 234                        |
| 1982        | 189        | 195                  | 249                        |
| 1983 (est.) | 200        | 209                  | 259                        |

Table II

### Magazine advertising rate increases compared to other media cost per thousand

|                      | 1970-1977 | 1977-1983 | 1970-1983 |
|----------------------|-----------|-----------|-----------|
| Consumer magazines   | 23%       | 70%       | 109%      |
| Business magazines   | 28        | 60        | 105       |
| Day net TV           | 77        | 47        | 160       |
| Eve net TV           | 67        | 90        | 217       |
| Spot TV              | 22        | 63        | 99        |
| Newspapers           | 75        | 66        | 191       |
| Supplements          | 48        | 59        | 135       |
| Spot radio           | 40        | 44        | 102       |
| Net radio            | 8         | 39        | 50        |
| Outdoor              | 53        | 87        | 186       |
| Consumer price index | 56        | 66        | 159       |

Table I shows unit rates, cost-per-thousand and the consumer price index as extended from 1970 the 100 index year. It shows unit rates and cpm rising at a rate slower than the consumer price index. Table II the cumulative percentage cost increase in 10 media for the past 13 years as compared with the consumer price index.

Table III

### Consumer magazines Circulation price index

|                    | Average Single<br>Copy Price |       | Average Yearly<br>Subscription Price |       | Consumer<br>Price Index |
|--------------------|------------------------------|-------|--------------------------------------|-------|-------------------------|
|                    | \$                           | Index | \$                                   | Index |                         |
| 1970               | \$ .63                       | 100   | \$ 7.16                              | 100   | 100                     |
| 1977               | 1.11                         | 176   | 13.39                                | 187   | 156                     |
| 1978               | 1.21                         | 192   | 14.86                                | 208   | 168                     |
| 1979               | 1.33                         | 211   | 16.30                                | 225   | 187                     |
| 1980               | 1.48                         | 235   | 16.75                                | 234   | 212                     |
| 1981               | 1.62                         | 257   | 18.06                                | 252   | 234                     |
| 1982               | 1.80                         | 286   | 20.28                                | 283   | 249                     |
| 1983 (est.)        | 1.98                         | 314   | 22.31                                | 312   | 259                     |
| 1970-1977 Increase |                              | 76%   |                                      | 87%   | 56%                     |
| 1977-1983          |                              | 78    |                                      | 67    | 66                      |

Table VI

### Business magazines circulation price index (1)

|                    | Yearly<br>Subscription |
|--------------------|------------------------|
| 1970               | 100                    |
| 1977               | 188                    |
| 1978               | 209                    |
| 1979               | 241                    |
| 1980               | 276                    |
| 1981               | 319                    |
| 1982               | 351                    |
| 1983 (Est.)        | 386                    |
| 1970-1977 increase | 88%                    |
| 1977-1983          | 105                    |

(1) Many business magazines have controlled circulation

## PLAYBOY INDUSTRY VIEW: ART WILEN

comments on media strategies, from the executive v.p./media director, the marschalk company, inc.

PHOTOGRAPHY BY JOOK LEUNG



"When we recommend a media plan, we're actually acting as financial consultants. Once we understand a client's marketing objectives, we bring him investment opportunities through media."



"We have a creative philosophy called 'emotional hard-sell.' We try to extend our creative strategies into our media selection—to carefully match the message and the medium for the strongest sale."



"Print offers the advantage of reaching a specific target in a specific environment. It lets us take the message beyond a single thought and turn it into a complete information piece."

Table IV

### Consumer magazines sources of revenue

|             | Advertising | Subscriptions | Single Copy |
|-------------|-------------|---------------|-------------|
| 1970        | 64.33%      | 27.91%        | 7.76        |
| 1977        | 55.47       | 29.59         | 14.94       |
| 1978        | 53.69       | 28.67         | 17.64       |
| 1979        | 52.22       | 30.41         | 17.37       |
| 1980        | 51.14       | 32.67         | 16.19       |
| 1981        | 51.08       | 33.30         | 15.62       |
| 1982        | 51.00       | 34.00         | 15.00       |
| 1983 (Est.) | 50.50       | 34.50         | 15.00       |

Table VII

### Business magazines sources of revenue

|             | Ad    | Sub   |
|-------------|-------|-------|
| 1970        | 71.1% | 28.9% |
| 1977        | 71.6  | 28.4  |
| 1978        | 72.6  | 27.4  |
| 1979        | 71.1  | 28.9  |
| 1980        | 69.0  | 31.0  |
| 1981        | 70.0  | 30.0  |
| 1982        | 70.2  | 29.8  |
| 1983 (Est.) | 67.7  | 32.3  |

Table V

### Business magazines advertising rate index

|                    | Unit Rates | Cost per<br>Thousand | Consumer<br>Price Index |
|--------------------|------------|----------------------|-------------------------|
| 1970               | 100        | 100                  | 100                     |
| 1977               | 137        | 128                  | 156                     |
| 1978               | 141        | 132                  | 168                     |
| 1979               | 149        | 140                  | 187                     |
| 1980               | 157        | 148                  | 212                     |
| 1981               | 166        | 158                  | 234                     |
| 1982               | 181        | 172                  | 249                     |
| 1983 (Est.)        | 197        | 188                  | 259                     |
| 1970-1977 Increase |            | 28%                  | 56%                     |
| 1977-1983          |            | 47                   | 66                      |

**PLAYBOY:** You want to make the most of your client's ad budget. So when the plan calls for effective—and efficient—reach to the male market, invest in a blue chip. **PLAYBOY.**

**PLAYBOY** is the medium that works *with* the message to build interest in a wide range of products. From clothes to cars to spirits to recreational gear, if it's of interest to men, it's featured in **PLAYBOY**. As part of a lifestyle editorial package that helps men get the most out of life. And puts them in the mood to buy.

Take your client's message beyond the page it's printed on—to nearly 13 million affluent, acquisition-oriented men whose interest in living well pays handsome dividends for you. Advertise in **PLAYBOY**.

**PLAYBOY.**  
For the man who's  
got to have it all.

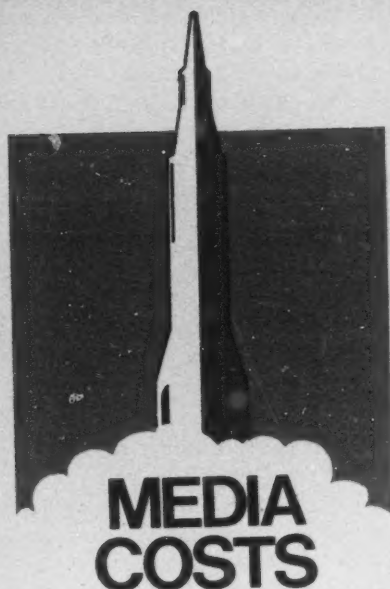
Source: MRI, Spring 1983—adjusted. © 1983 by Playboy.

Table VIII

### Magazine publishers' cost increases

|             | Paper | Printing | Postage      |              |              | Salaries | Consumer<br>Price<br>Index |
|-------------|-------|----------|--------------|--------------|--------------|----------|----------------------------|
|             |       |          | 1st<br>Class | 2nd<br>Class | 3rd<br>Class |          |                            |
| 1970        | 100   | 100      | 100          | 100          | 100          | 100      | 100                        |
| 1977        | 175   | 171      | 217          | 218          | 197          | 161      | 156                        |
| 1978        | 197   | 185      | 250          | 290          | 221          | 175      | 168                        |
| 1979        | 211   | 200      | 250          | 343          | 221          | 181      | 187                        |
| 1980        | 235   | 220      | 250          | 343          | 221          | 202      | 212                        |
| 1981        | 259   | 242      | 300          | 321          | 274          | 226      | 234                        |
| 1982        | 270   | 266      | 333          | 348          | 287          | 253      | 249                        |
| 1983 (Est.) | 249   | 271      | 333          | 348          | 287          | 271      | 259                        |





# Cable costs all over the lot

Cable continues to be the ephemeral medium. Just when you think you're getting a hand on it, another development occurs that scrambles the picture. This comprehensive overview of the current picture identifies the players, singles out the vertical speciality, and proves, once again, that cable is still very much a medium in flux.

**N**orman Trell leaned back in his chair and freely admitted that he doesn't know what he's getting for his money when he advertises on cable television, and for this reason, he said, no matter what he pays, the medium is, in his opinion, overpriced. But, in the next breath, the senior vp of Diener/Hauser/Bates Co., Inc., said his agency is now advertising on cable four times as much as it did last year.

Mr. Trell is not alone in his somewhat paradoxical assessment of cable.

The consensus among a number of other large agencies indicated that cable advertising, for the most part, represents an "unknown quantity," which several ad executives quaintly defined as "buying a pig in a poke." Yet, practically every agency also admitted that its ad budget for cable tv is growing every year.

While the cost of advertising on cable networks has inched up in 1983, particularly among the more successful networks such as MTV, ESPN, CNN



and the USA Cable Network, most agency executives were reluctant to discuss costs at all. As Mr. Trell noted, "cable rates are highly negotiable. I know, for instance, that we're paying 50 percent less than other agencies for certain 30-second network spots. And, I'm sure there are other agencies doing better than we in other areas."

Negotiation is the key word when local and network cable ad costs are considered. The prices seen on the rate card mean no more than the prices seen in a store window on Canal Street, one of New York City's bargain centers. The important thing is not the price seen in the window, but the price arrived at after bargaining.

Saralee Hymen, vp of marketing for the Cable Television Advertising Bureau (CAB), said cable ad costs, both network and local, have remained static or declined over the past three years. The depressant factors, she said, include a supply and demand

situation that has been exacerbated in recent years by increasing channel capacity, and more importantly, by the fact that much of cable's programming is not measured.

After doing a quick calculation, Ms. Hymen figured that "satellite-fed networks have the capacity to sell 1,344 60-second spots during the course of a week. As a result, buyers can negotiate bargains for 30-second spots that can range from as little as \$5 to \$25. There's no doubt, it's a buyer's market.

"Furthermore, there are presently about 725 cable systems selling advertising, which is about 10% of all the cable systems in the U.S. Advertising prices at these systems remain cheap because many of them have extremely large inventories to fill, anywhere from 24 channels to 50 and more."

Ms. Hymen estimated that local ad costs for a 30-second spot on a cable network show average about \$25 a spot.

Despite cable's limited viewership at this point in time, advertisers are finding the cable bandwagon quite attractive. Total advertising revenues for cable systems and networks have made strong gains since 1980. According to Paul Kagan Associates, total revenues in 1980 stood at \$58 million, and more than doubled at the end of 1981 to \$121.6 million. Revenues in 1982 continued to rise to \$241.8 million.

The Kagan organization also had rosey projections for the remainder of the decade. It places ad billings in 1983 at \$382.9 million; \$830.7 million in 1985 and \$2.4 billion by 1990. Kagan's latest projection indicates that cable tv billings will pass \$4.5 billion in 1993. Of this total, ad-supported cable networks are expected to gross about \$3.5 billion and local systems to reach over \$1.1 billion.

Two basic assumptions are used by Kagan in arriving at these spiraling ad totals. They are:

- If viewing levels were matched to

## 10-YEAR PROJECTIONS OF CABLE TV NETWORK ADVERTISING

| Year | 1<br>All TV<br>Homes<br>(mil.) | 2<br>Avg.<br>HUT<br>% | 3<br>Viewing<br>Homes<br>(mil.) | 4<br>Cable<br>Adv.<br>Homes<br>(mil.) | 5<br>Avg.<br>Cable<br>HUT<br>% | 6<br>Cable<br>Viewing<br>Homes<br>(mil.) | 7<br>Share in<br>Cable<br>Homes<br>% | 8<br>Actual<br>Cable<br>Viewing<br>(mil.) | 9<br>Cable %<br>of all<br>Viewing<br>% | 10<br>Cable % of<br>Broadcast<br>Net. Rev.<br>% | 11<br>Broadcast<br>Network<br>Revenues<br>(mil.) | 12<br>Cable<br>Network<br>Revenues<br>(mil.) |
|------|--------------------------------|-----------------------|---------------------------------|---------------------------------------|--------------------------------|------------------------------------------|--------------------------------------|-------------------------------------------|----------------------------------------|-------------------------------------------------|--------------------------------------------------|----------------------------------------------|
| 1983 | 82                             | 50%                   | 41                              | 18                                    | 50%                            | 9                                        | .08                                  | .720                                      | 1.76%                                  | 4.74%                                           | \$ 6,600                                         | \$ 312.9                                     |
| 1984 | 84                             | 50                    | 42                              | 22                                    | 50                             | 11                                       | .09                                  | .990                                      | 2.36                                   | 6.13                                            | 7,400                                            | 453.5                                        |
| 1985 | 85                             | 50                    | 42.5                            | 26                                    | 50                             | 13                                       | .10                                  | 1.300                                     | 3.06                                   | 7.65                                            | 8,300                                            | 634.7                                        |
| 1986 | 87                             | 50                    | 43.5                            | 29                                    | 50                             | 14.5                                     | .11                                  | 1.595                                     | 3.67                                   | 8.80                                            | 9,300                                            | 818.4                                        |
| 1987 | 89                             | 50                    | 44.5                            | 32                                    | 50                             | 16                                       | .12                                  | 1.920                                     | 4.31                                   | 9.92                                            | 10,400                                           | 1,032.2                                      |
| 1988 | 90                             | 50                    | 45                              | 35                                    | 50                             | 17.5                                     | .13                                  | 2.275                                     | 5.06                                   | 11.12                                           | 11,600                                           | 1,290.3                                      |
| 1989 | 92                             | 50                    | 46                              | 37                                    | 50                             | 18.5                                     | .14                                  | 2.590                                     | 5.63                                   | 11.82                                           | 13,000                                           | 1,537.1                                      |
| 1990 | 93                             | 50                    | 46.5                            | 39                                    | 50                             | 19.5                                     | .15                                  | 2.925                                     | 6.29                                   | 12.58                                           | 14,600                                           | 1,836.8                                      |
| 1991 | 94                             | 50                    | 47                              | 41                                    | 50                             | 20.5                                     | .16                                  | 3.280                                     | 6.98                                   | 13.96                                           | 16,400                                           | 2,289.0                                      |
| 1992 | 95                             | 50                    | 47.5                            | 43                                    | 50                             | 21.5                                     | .17                                  | 3.655                                     | 7.69                                   | 15.39                                           | 18,400                                           | 2,831.8                                      |
| 1993 | 96                             | 50                    | 48                              | 45                                    | 50                             | 22.5                                     | .18                                  | 4.050                                     | 8.44                                   | 16.88                                           | 20,600                                           | 3,477.3                                      |

1- Estimated U.S. TV households.

2- PKA estimate of day-long Homes Using Television, based on 60% prime time, 30% 7 a.m.-1 a.m., skewed upward from day-long average because ad dollars are concentrated in heavier viewing times.

3- Homes actually viewing television.

4- PKA estimate of average cable homes accessed by majority of cable TV ad-supported networks.

5- PKA estimate of cable homes using television (as in column 2).

6- Cable network homes actually viewing television.

7- PKA estimate of average viewing commanded by cable TV networks, as % of all viewing in cable homes shown in column 6.

8- Actual viewing homes available to cable TV network advertisers.

9- Actual cable viewing as % of all viewing (column 8 divided by column 3).

10- PKA estimate of proportionate cable network ad spending — which was triple the cable networks' share of all viewing in 1980, and is projected to decline to double their share by 1991.

11- PKA estimate of revenue of ABC-CBS-NBC.

12- PKA estimate of revenue of cable TV ad-supported networks.

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dollars, national advertisers are spending about three times as much on cable networks as they would normally be expected to;

- The growth of ad revenues in local systems, which have risen gradually in recent years from zero ad dollars per subscriber per month to goals of \$1 per subscriber per month and more.

The accompanying table shows that Kagan expects the number of homes accessed by the average cable network to rise from the current 18 million to 45 million in 10 years. The "share" is expected to rise in the decade from 8% to 18%.

It is obvious by these numbers that while ad agencies today may be somewhat disenchanted about who they're reaching in the cable universe, they must nonetheless be bullish about cable's future potential based on the growing number of ad dollars being spent in the relatively new medium.

In assuming that national advertisers are spending three times as much on cable, the Kagan organization rationalizes that in 1983 an average of 41 million tv homes, representing half of the total 82 million, will be turned on at a given time during the day. Of this total, 9 million representing half of the 18 million available to a cable network, will be cable viewing homes.

About 8% of this total can be expected to be watching a cable network which means 720,000 cable network homes are available for an advertiser's spot. While this represents only 1.76% of all 41 million viewing homes, it does give national advertisers some numbers to work with and a growth pattern to follow.

There also appears to be some divergence of opinion among national advertisers whether cable truly lives up to its other labelled benefits, namely, is it selective and does it offer advertisers the right demographics for their products.

Ms. Hymen of CAB sees no basis for argument on the selectivity point.

"Where else," she asks, "can a national advertiser find a select audience of sports fans like the ones who watch ESPN? And, this audience is on tap 24 hours a day. Or, the bright upbeat audience that makes up much of the viewership of the Cable News Net-

**Latest figures (MTV) now place subscribership at 13.5 million and growing . . . MTV rates vary on a 24-hour rotation basis ranging from \$1,000 to \$7,000 for a 30-second spot on late night concert show.**

work. And, MTV, which is growing spectacularly because it is zeroing in more emphatically each day in that wonderful age group of 13 to 32. Also, don't overlook the culture buffs that watch the BRVO Network."

Mr. Trell, who unabashedly remembers that it was he who was the leading critic at DHB against participating in cable advertising a few years ago, now says that practically every new film ad campaign is sure to find spots on Warner Amex's MTV: Music Television Network.

The executive, who still has serious reservations about cable in view of the number of major cities in the U.S. that remain unwired today, brightens slightly, however, when he mentions the rock music channel.

"I agree with published reports that 'Flashdance,' Paramount's new film, which DHB promoted, was helped considerably at the box office by MTV. This channel was particularly suitable for 'Flashdance' because it had the audience, teenagers and young adults, and its 24-hour video music format was compatible with the theme of the movie," he said.

MTV, by the way, has shown remarkable growth since its introduction back in August of 1981, when it began with 2.5 million subscribers. Latest figures now place subscribership at 13.5 million and growing. A spokesperson for MTV said more ad revenues were taken in the first quarter of 1983 than in all of 1982, proving apparently that a lot of other people feel like Mr. Trell.

MTV rates vary on a 24-hour rotation basis ranging from \$1,000 to \$7,000 for a 30-second spot on late night concert show. Another area of advantage, which MTV in particular

and cable in general has to offer, Mr. Trell noted, "is the long-length commercial." In this regard, he added, DHB launched its first 2-minute and 45-second trailer on MTV for John Travolta's flick, "Staying Alive," the sequel to the highly successful "Saturday Night Fever."

In addition to longer-running commercials, Mr. Trell said cable commercials can also be more candid than those shown on commercial networks, particularly in the area of nudity.

Ironically, the non-advertiser supported movie cable network pay services, which would be ideal for DHB's purposes, are not available. But Mr. Trell has hopes. He foresees the day when a pay service like HBO may accept ads when and if it reaches a subscriber saturation point.

"HBO or any other movie service could tell subscribers that because of rising operating costs, they will have to either charge subscribers \$3 a month extra, or put on a 2-minute commercial at the beginning and end of each movie as an alternative," he said.

However, not many of Mr. Trell's peers agree with this assessment, noting that HBO and other pay services could never compromise the non-commercial edict, which is so integral to the success of cable tv movie services.

According to A.C. Nielsen's latest statistics, cable television now reaches nearly 32 million homes in the U.S., or 38% of the total 82 million homes that have television sets. The 38% is a meaningful figure if anyone put stock in the prediction two years ago that when 35% was reached, an advertising boom of unprecedented proportions would occur on cable tv. Ms. Hymen said that projection was a myth.

**According to A.C. Nielsen's latest statistics, cable television now reaches nearly 32 million homes in the U.S., or 38% of the total 82 million homes that have television sets.**



Dennis Leibowitz, vp at Donaldson, Lufkin & Jenrette, disagrees somewhat. "The penetration figure is not the problem," he said. "Presently, it is not insufficient. What was needed was a better marketing effort on the part of the cable industry."

Mr. Leibowitz, who is the author of a voluminous industry report on the cable industry, said the 38% penetration was reached at the wrong time.

"We were in the midst of a deep recession. It was just a bad environment all the way around," he said.

The cable industry expert also pointed to the lack of audience measurement as a retardant to cable ad revenues. The only networks currently rated are ESPN, CNN, USA Cable and MTV. But, the lack of a good marketing effort by the cable industry seems to be the most disturbing factor to Mr. Leibowitz.

"Certain areas within the cable industry need to be developed to realize the marketing potential that is there. These include target marketing and the benefits that can be derived from longer-length commercials," he said.

In general, Mr. Leibowitz appears to be optimistic on the outlook for cable ad revenues but predicts that more networks will be "shaking out," citing the demise of CBS Cable and the Entertainment Channel as one example, and the recently accomplished merger between the Cable Health Network with Hearst/ABC's Daytime, as another. He also sees some networks becoming very profitable in the second half of the decade primarily from continued strong subscriber growth.

The reluctance of the cable networks to disclose their respective financial positions has led many industry observers to conclude that none of them have yet reached profitability.

According to the DL&J industry report, while revenues have been up more than 100% in recent years, they are well behind projections primarily because costs were higher than expected and competition among the networks has intensified. There is no doubt that programing costs have drained network revenues. At a recent Women in Cable Critics Conference, some networks divulged programing costs for the first time. Cable Health

**"Cable isn't nearly as selective as maintained. The euphoria of narrowcasting is overstated. With the exception of MTV, all of the other networks, including ESPN, are not selective." Larry Cole, sr/vp and dir. of media services, Ogilvy & Mather.**

Network said the average cost of programing ranged from \$15,000 to \$20,000 an hour, while USA Cable Network said its costs ranged from \$2,000 to 15,000 an hour.

The report estimated that in 1982, Cable News Network led the networks in ad revenues with \$35 million, followed closely by ESPN with \$30 million and USA Cable with \$25 million. The 1982 budgets of CNN and ESPN were estimated at \$50 million or more, which more than offset the gains in ad revenues. In 1982, the report continued, none of the other cable networks generated more than \$5 million in ad revenues.

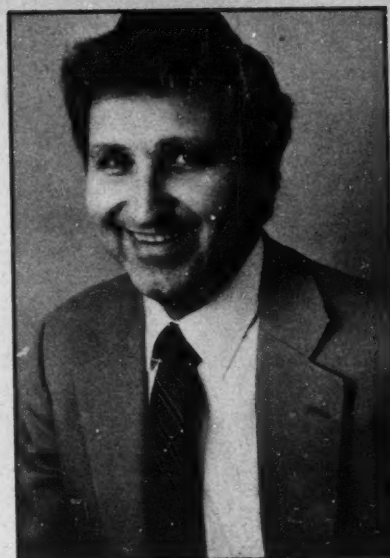
A somewhat startling conclusion was reached when it was noted that cable advertising "will either never get off the ground (as everything goes pay) or more likely generate substantially more than \$2 billion in 1990."

Whether cable advertising will ever truly "fly" remains a big question marked in the minds of many ad executives today. And, while perceptions of the medium can be diametrically opposite like those of Larry Cole, senior vp and director of media services at Ogilvy & Mather and Jay James, senior vp of video technology and programing at Doyle, Dane & Bernbach, one aspect meshes at both agencies. Their cable ad budgets are going up.

Ogilvy & Mather, Mr. Cole said, is not only spending more money on cable advertising, but has also seen a rather dramatic increase in cable advertising costs in the past three years.

Using the fourth quarter of 1980 as a base of 100, advertising costs at O&M increased 115% in 1981; 163% in 1982 and is projected at 185% in 1983. Cable advertising expenditures at the giant agency have also shown considerable growth ranging from about \$250,000 in the 1980 base year to a projected \$5 million in calendar 1983.

With these kinds of numbers it



would be reasonable to expect that a budding love affair was taking place between O&M and the world of cable advertising. But not necessarily so. Mr. Cole is apparently a very demanding suitor because he has some serious reservations about cable's vaunted strong suit — selectivity.

"Cable isn't nearly as selective as maintained," Mr. Cole said. "The euphoria of narrowcasting is overstated. With the exception of MTV, all of the other networks, including ESPN, are not selective."

The networks may become more selective in the future, he added, as their cable audiences grow. Today, however, cable advertising is speculative, he said, because poor programing has made it difficult to attract large audiences.

It is interesting to note that Mr. Cole is apparently not completely turned off by his perception of cable's lack of selectivity. He said some special baby commercials for O&M clients, Kimberly Clark, would appear on a "new mothers" show on the Daytime Cable Network.

"The potential of cable is still far away," he said. "And, ironically, the big audiences are with the pay movie networks, which as we all know do not seek ad support."

Mr. James is on a completely different wave length than Mr. Cole regarding cable's potential. He said, "There are now several networks measured by Nielsen. We know the audiences of these networks. They have a better

cpm than the commercial networks. For example, for \$500,000 expended in cable advertising today, we can get more audience impression than the same money spent on commercial tv."

DDB will spend between \$12 to \$14 million in 1983 on cable advertising, Mr. James said. This is up from the \$9 million spent in 1983. On a break-out basis, cable networks will account for 85% of the 1983 ad budget with the remainder for local systems advertising.

He said cable ad costs for DDB ranged from \$300 to \$10,000 for 30-second network spots. Ad costs averaged between \$1,000 to \$2,000. Cable costs, he added, have been going up as the number of new subscribers build each month on the various cable networks.

Reaching high target audiences is one of the main benefits of advertising on cable, Mr. James said. "The program environments offered by cable are conducive to different products. For example, if I want to hit the right market for french fried potatoes, I'll find a cooking show on cable that will fill my need."

DDB uses all cable networks and particularly favors Ted Turner's super station WTBS in Atlanta, which is actually a commercial station aired in 20 million cable homes. Mr. James said WTBS is the most popular network with the largest audience.

In the area of specially made commercials for cable tv, Mr. James said this is a trend that will grow for a number of reasons including the advantage of being able to use longer-length commercials and the opportunity to tailor commercial messages for target audiences such as those watching MTV and ESPN.

Mr. Cole's view on cable commercials is exactly opposite. He said very few special commercials are being made because cable audience size cannot justify the production costs for making these commercials. But, Alvin Hample, chairman of D'Arcy, MacManus & Masius, told the second annual CAB Conference recently that cable's longer-length opportunities can put a stop to runaway production costs. "We might just find that for some products and services more time to sell can mean less cost to produce."

“  
**Interestingly enough the audience that watches pay sports networks doesn't seem to mind the commercial interruptions.**

— Norm Varney, sr/vp new electronic media, J. Walter Thompson

Ms. Hymen of CAB said commercials have been specially made for cable for products such as Budweiser Beer, Sizzaline bacon, the Camaro automobile, Corningware and Kraft Food. The Kraft commercials were made especially for viewing MTV, she said. All of these commercials ran from 90 seconds to two minutes in length.

Infomercials are also becoming quite popular cable fare, Ms. Hymen said. These informational messages are also longer-length and are generally aimed at targeted audiences. CNN, considered a high-level, upbeat audience network, for example, is used by brokerage firms for infomercials that explain the brokerage business.

However, she said, the majority of commercials seen on cable are the same ones used on the commercial networks. Ms. Hymen also said that 85% of the top 200 advertised brands are now advertised on cable excluding tobacco.

Returning to DDB's Mr. James and his optimistic view of cable's future, he does qualify it slightly by noting that cable will never reach 100% penetration like the commercial networks. Mainly, he said, because the very nature of cable programming is not mass audience oriented. But, he said, cable has and will continue to erode the share of commercial networks.

Norm Varney, senior vp, new electronic media for J. Walter Thompson, describes cable advertising as "up-scale" but immediately watered down this evaluation with the now familiar refrain: "But, you never know how many you are reaching."

And, like many of his contemporaries, while he doesn't know what he is getting for his money, he's will-

ing to spend more on it in 1983.

Declining to give an actual figure, Mr. Varney said JWT this year will have cable ad expenditures that will "probably be 50% to 100% higher than in 1982."

The one area in the cable tv advertising spectrum that offers good potential for healthy ad revenues, Mr. Varney said, is the cable sports pay networks that are proliferating across the country.

"Interestingly enough," he said, "the audience that watches pay sports networks doesn't seem to mind the commercial interruptions. Apparently they've been pre-conditioned by years of free advertiser-supported sports programming on the commercial networks and independent stations."

Steve Auerbach, vp and manager of network programming at Backer & Spielvogel and Hadassa Gerber, of McCann-Erickson, wouldn't even drop a hint about their respective cable advertising expenditures and costs, but both lean to the new medium, especially Ms. Gerber.

"Cable is a very good buy," she said. "It's not like three years ago when it was a shot in the dark. Also, the fact that several new networks have defaulted in recent months makes cable even more attractive. It's broadening our levels of reach."

A very accurate statement considering the fact that the five 24-hour-a-day satellite programming services that debuted last year provided 120 hours a day of new programming for advertisers.

But it is the area of programming that needs shoring up as far as Mr. Auerbach is concerned. Cable programming in his estimation is "poor" and the cable networks "need to spend more money on program improvements."

Money is the key factor to Mr. Au-

“  
**Cable is a very good buy. It's not like three years ago when it was a shot in the dark. Also the fact that several new networks have defaulted in recent months makes cable even more attractive.**

— Hadassa Gerber, McCann-Erickson



erbach in the overall survival of the cable networks. As a matter of fact, he says that there will only be about four or five cable networks operating in the future and they will have survived through strong financial backing, he stated.

Bob Jeremiah, director of advertising sales for ESPN, also believes money is the name of the game and he happily reported that since ESPN's inaugural year in September 1979, ad revenues have doubled each year since. Judging from the rise in ESPN's average unit prices cited by Mr. Jeremiah since 1979, the sports network is indeed doing very well.

The average unit price for 30-second prime spots in 1979 was \$500, Mr. Jeremiah reported. Prime time 30-second spots today go for \$3,500 and up. Up in this instance means ESPN's United States Football League games, which it covers "live" every Saturday and Monday nights during the season. If you want a 30-second spot during one of these contests, be prepared to shell out \$10,800.

Apparently quite a few sponsors have been shelling out. Mr. Jeremiah said they have realized a good deal of success in selling the new football leagues games. He said Saturday night coverage has resulted in a 65% sell and Monday night does even better at a 75% sell.

Are advertisers getting their money's worth? Silly question, replies Mr. Jeremiah.

"Our demographics alone are incredible. We're reaching an age group comprised mainly of young, affluent adult males. Nielsen has given our coverage of USFL games a rating of about 4 to 4½, which is about 1.2 million households. Our demographics show there are at least 65 men (18-49) per 100 households watching. Compare this with the commercial networks who would love to get 55 men per 100 households for their games."

ESPN today has about 6,000 cable systems tuned in, including STV operators. The latest Nielsen count places subscriber at 24,990,000. Mr. Jeremiah said they expect to reach 30 million by the end of the year.

The future is definitely rose-tinted, according to Mr. Jeremiah. "Our Blue Chip advertisers include Anheuser-

## Local cable systems' advertising revenues are growing, too, despite high inventories and bargain prices.

Busch, auto makers like GM and American Motors, IBM, Burroughs, Digital Electronics, Timex and many others. When we started back in 1979 we had 12 advertisers. Now we serve over 300," he said.

Local cable systems' advertising revenues are growing, too, despite high inventories and bargain prices. A random sampling of CAB Cable Systems Profiles reveals a steady, upward trend for ad revenues among systems regardless of the size of the franchise areas they serve. Based on the positive results of several hundred reporting systems, the \$1.1 billion in ad revenues projected for 1993 appears within reason.

For example, American Television & Communications Corporation's Manhattan Cable TV serving 169,200 basic subscribers and 106,175 pay subscribers in New York City, had gross revenues in 1982 of \$1,250,000 and expects to realize \$1,500,000 in 1983.

At the other end of the spectrum, tiny Home Vue Cable TV serving 3,600 basic subscribers in Central Bucks County, Pa., had revenues of \$65,000 in 1982 and projects this figure in 1983 to between \$125,000 and \$175,000.

In many local systems, ad sales were begun in the 1981-1982 period coinciding with the launching of new satellite network services and the solid establishment of those already on tap such as ESPN, MTV and CNN. Advertising on local origination channels is also growing in popularity on the alpha/numeric channels.

Local systems, according to Whitney Goit, vp of advertising sales for Warner Amex Cable Communications, are providing advertisers plenty of bargains beginning with spots running as low as \$10, based on bulk sales and extended contracts. But, he was quick to add, Warner Amex doesn't believe in "fire sale" ad rates.

Not that Warner Amex doesn't negotiate rates, he said, "which we do particularly for sports channel programming under extended contract

terms," but "we feel it is shortsighted to offer drastic discounts. Instead, we design a package offering a schedule of 20 or 30 spots which will provide optimum coverage penetration. Our charges are generally in the area of \$100 a spot for prime time.

Choosing three systems out of the 11 Warner Amex systems that now sell advertising — a major metro system, a sophisticated system in a small city and an average system in a small community — Mr. Goit traced the growing costs of advertising.

In Houston, where Warner Amex serves approximately 182,000 subscribers, the average rate for a 30-spot is \$100. "This is a good buy," Mr. Goit said, "considering the high demographic profile — affluent households earning \$45,000 and up and for the most part a college educated audience." This represents an increase over the \$50/spot last year.

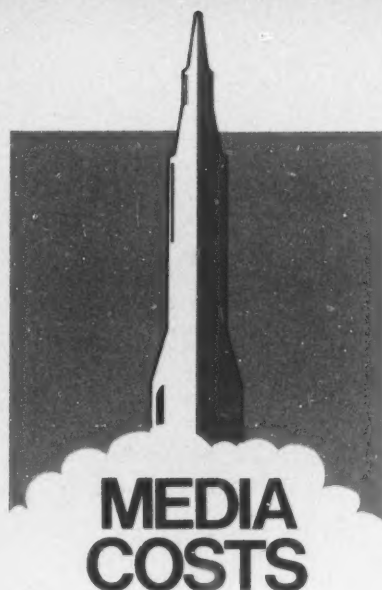
In Columbus, Ohio, where nearly 60,000 subscribers reside, the average rate ranges between \$40 and \$50 in popular dayparts. This compares with \$25 to \$30 last year. And, in Fort Walton Beach, Fla., which is a system of 35,000 subscribers, the average cost is \$25/spot. In this case, he said, rates were unchanged from a year ago because subscribership also remained relatively unchanged.

In local origination programming, high school sports events draw a lot of advertiser attention, Mr. Goit noted. A vital high school football game between fiercely competitive schools can cost a local advertiser \$500 for a 30-second spot. For the most part, though, local advertising is low-priced. The average for a 12-week series, 1/2 hour show, with four repeats, is \$1,000 a week.

However, local rates have risen about 15% a year even where subscribers totals have remained stable. These rates rose to 25% to 40% for lively subscriber growth such as that in Warner Amex's Cincinnati system, where subscribers more than doubled to 100,000 in a year's time.

Joseph Dunn





# What it will cost to go outdoors

Media costs are up almost across the board. But outdoor advertising contends the cost for a campaign, either primary or supplemental in their medium, may cost the advertiser more than it did last year, but the percentage of increase is less.

Outdoor advertising is a medium that many advertisers know of, but have not used to its fullest potential because they may not know exactly how to purchase it in the most economical and effective way. There is no Standard Rate and Data book on outdoor advertising but there is the *Buyer's Guide to Outdoor Advertising*. The guide is a compilation of the most current rate and market statistics for the approximately 8,000 United States standardized Poster and Rotary Printed Display markets. Comparable to Standard Rate & Data books on other media, it is exclusively designed to make outdoor advertising convenient and accessible to any buyer. It is the only source of outdoor rate and marketing information available to the public.

"Through the use of the *Buyer's Guide*," states publisher Frank Cawl, "purchasers are assured of the most comprehensive outdoor advertising information so that they can make informed decisions." The book is divided into four main sections: Areas of Dominant Influence, in which a 3-letter ADI code is shown with the complete name of the area; Discount Digest For Poster Advertising, which is a condensation of discounts appearing on the rate cards of individual outdoor advertising companies; Poster

Advertising Information, which is a complete directory of outdoor advertising companies listed alphabetically by state (including population, manager's name, allotments, rates, etc.); and Rotary Painted Displays.

Poster Advertising Information is the largest section, which begins with a directory of Outdoor Advertising Companies. The second section is divided in 11 distinct parts: Plant Codes; Market Number; Market Name; ADI Code; County; Population; Effective Date (date when rate and other information becomes effective); Coverage Intensity; Posters; Cost Per Month; and Single Panel Rate, all of which are fully explained. The guide is published twice a year in Searsport, Maine in March and September. Subscriptions are available on an annual basis at \$100.00 each. Updating bulletins can be ordered optionally.

According to Dick Itanaga, marketing services manager of Foster and Kleiser in New York, poster prices vary from market to market around the

## Cost of a board

|                | Unilluminated | Illuminated |
|----------------|---------------|-------------|
| So. California | \$280         | \$366       |
| No. California | 280           | 366         |
| Chicago        | 250           | 374         |
| Waco, Texas    | 134           | 200         |

# Skinny dip.



California Milk Advisory Board

**Short copy and economical rates are the hallmarks of outdoor advertising.** The poster above plays on the double meaning of "Skinny dip" to make its brief point. Chart below shows a month by month comparison of average outdoor rates, and a progression of cpm costs in outdoor since 1970.

country. The price setting is up to the outdoor advertising plant operators who determine prices depending on market conditions and supply and demand in the various cities. "Even within our own market," says Itanaga, "there are different prices per panel. This is due in part to circulation, and of course, market conditions."

The prices are established within the different markets throughout the country. "Overhead costs are different from market to market," explains Itanaga, "for example, the cost of 10 panels in Florida is different from the cost of 10 panels in Los Angeles, even assuming that the circulation is the same. The cost in Los Angeles is higher because the costs of paper, labor and the cost of leasing are greater in that market. In any market where the leasing cost is higher, the cost of the campaign will reflect it."

The price of painted bulletins is still another story. On a one year contract on bulletins, some large advertisers use paper rather than paint to keep costs down. The space cost on 14' x 48' bulletin contract will cost less if paper is used rather than paint.

There are enticements to using paint, however. If an existing design is

## Poster Panel Costs 50 top Metro Markets

|                  | 1979     | 1980     | 1982     | 1983     |
|------------------|----------|----------|----------|----------|
| January          | \$204.33 | \$223.93 | \$282.59 | \$305.82 |
| February         | 204.33   | 223.93   | 283.01   | 305.82   |
| March            | 204.33   | 223.93   | 283.01   | 305.82   |
| April            | 204.33   | 224.19   | 283.01   | 305.82   |
| May              | 204.33   | 224.35   | 283.01   | 312.67   |
| June             | 204.33   | 226.82   | 283.01   | 312.67   |
| July             | 204.91   | 227.47   | 284.15   |          |
| August           | 205.03   | 227.64   | 283.99   |          |
| September        | 213.42   | 235.15   | 294.58   |          |
| October          | 219.60   | 245.64   | 305.82   |          |
| November         | 219.60   | 245.64   | 305.82   |          |
| December         | 219.87   | 245.92   | 305.82   |          |
| 12-Month Average | 209.03   | 231.22   | 289.82   |          |

## Cost Per Thousand for Poster Panels

| Year | Cents  | Year | Cents  |
|------|--------|------|--------|
| 1970 | \$ .35 | 1977 | \$ .48 |
| 1971 | .36    | 1978 | .51    |
| 1972 | .39    | 1979 | .55    |
| 1973 | .41    | 1980 | .61    |
| 1974 | .42    | 1981 | .67    |
| 1975 | .44    | 1982 | .74    |
| 1976 | .45    | 1983 | .81    |

repainted, the outdoor advertising contractor will include two subsequent paints every 4 months in the cost. Also, the advertiser is permitted to put extensions on painted bulletins, on either side, top or bottom. This is done to add drama to the bulletin. There are certain limitations, however. The extension cannot go more than 5 1/2 feet above the bulletin; it cannot extend past 2 feet on either side; and it cannot go below 1 foot. On any one bulletin, the advertiser cannot add more than 200 square feet to the standard 672 square foot bulletin.

There is even a variation in costs of outdoor advertising depending on whether the advertiser wants to display an illuminated or an unilluminated bulletin.

In New York, all outdoor advertising is illuminated. But the following table will show the variation in cost in different markets depending on whether the bulletin is illuminated or non-illuminated:

#### **Buying outdoor in Chicago**

The prices in the chart (pg. 104) are based on the price per panel for a #10 showing, which is comprised of 5 non-illuminated panels and 27 illuminated panels (32 panels total). The price in Chicago, therefore, would be \$11,348 per month for a campaign consisting of 32 panels. The standard posting period in all cases is 30 days. It should also be noted that the costs are based on buying a minimum #10 showing.

#### **California Milk Advisory Board**

Advertisers around the country are putting theory into practice to create outdoor advertising campaigns tailored to their economic and creative needs. One such advertiser is the California Milk Advisory Board. Melissa Sawyers of Foote, Cone & Belding/Honig, the agency for the CMAB, describes the strategy behind their purchasing of outdoor advertising: "We purchase outdoor advertising for the manufactured products, such as cottage cheese, yogurt, ice cream and real whipped cream. Outdoor advertising is the perfect medium for reaching many people. People in California spend so much time outdoors and in their cars. Outdoor is a constant reminder of the creative message."

To achieve the maximum results, the CMAB places boards strategically,

depending on the product. They assess very carefully what income areas they want to reach with their outdoor campaign. Then they place their boards near supermarkets and dairies that carry the product featured on the particular bulletin. Outdoor advertising is a particularly adaptable and effective medium for the CMAB because it is a valuable merchandising tool, as it can be customized for each product. Because of this unique quality, the CMAB uses outdoor advertising in conjunction with tv and radio. Monies they allot to outdoor amount to roughly 50% of their total media budget.

CMAB wants to reach every city in California, and for yogurt, they target the \$35,000+ per year customer. The agency contracts for outdoor on a yearly basis with outdoor services, a specialized buying firm. Outdoor services will design an outdoor advertising package based on these requirements of reaching the upscale customer. They usually purchase #50 showings for this client.

Sawyers finds that the cost of purchasing outdoor advertising is increasing at a slower rate than other media. "The costs of outdoor will probably go up during the Olympics," predicts Sawyers, "but vis-a-vis other media, we feel that outdoor advertising is the most cost effective."

#### **American Dairy Association**

Another advertiser making good use of outdoor advertising savvy is the American Dairy Association. Jane Holmes, vp, National Advertising out of their Chicago office, says that they purchase outdoor advertising to enhance their tv theme: "Milk — The Fresher Refresher."

They utilize three major boards to round out their media mix. One shows a glass of milk and a sailboat on a lake; the second shows a glass of milk and a prairie with flowers and grass; and the third shows rocks on a stream. "Outdoor advertising is creative and effective," Holmes notes. "It carries the message of milk as a refreshing drink to people traveling all over the country."

The American Dairy Association also has a second set of boards displaying the "Real" Seal. They purchased the boards to register the message to the buyer of the various products as

When a small budget has big responsibilities, look into Eights.

**E**ight-Sheet Outdoor delivers cost-efficient awareness. In a typical top-five market, for example, an advertising budget of only \$50 per day will buy,

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In NYC call 772-0713.**

*Eight-Sheet  
Outdoor*



well as to the grocer. The outdoor campaign was launched to compete directly with imitation milk products. These boards register the message to the consumer: "Buy only real milk products." Ms. Holmes states that purchasing outdoor advertising is the best way to invest the media dollar. "Outdoor advertising communicates our message. Once the designs are up, the consumer sees it all month." These set of designs actually show the seal.

"Only Real Dairy Foods Carry This Seal," is the bold copy line. Then either the milk, cheese or sour cream product is shown. Outdoor designs get consumers to look for the seal and also encourage grocers to display the seal on all of their real milk products.

How much does such a campaign cost the American Dairy Association? Ron Stee, manager of the ADA out of their South Dakota office, describes the budgeting of their outdoor advertis-

ing: "We advertise throughout South Dakota: Sioux Falls, Rapid City, Mitchell, Huron, Pierre, Brookings, Watertown and Aberdeen. Our displays normally run four to five months each year." Steve notes that they have experienced no cost increase over the past 2 years. For a month's showing, the cost of an outdoor advertising campaign is \$7,700 for 39 poster locations, which is #50 showing. The cost of the paper for the boards varies from \$12.50 to \$17.50 per board. There are discounts on paper if the boards are purchased from the national office. There are also some breaks if they are bought in volume. Stee explains, "If I had to create a new board every time, the cost goes up substantially. But if I buy a board created by an agency, it pays."

#### Ford Dealer Groups

Another knowledgeable purchaser of outdoor advertising is Barb Barczyk, of J. Walter Thompson in Detroit. Barczyk buys outdoor advertising for the Ford Dealer Group Associations. "Costs vary from market to market," states Barczyk. The cost of 15 non-illuminated boards and 110 illuminated boards in Los Angeles, California with a #25 showing (which is the minimum) is \$44,460 for a one month showing, according to her rate card. She points out, however, that because she buys in volume, she realizes certain discounts. For paint bulletins, the price per unit on a one month contract is \$2,400. A yearly contract can also be obtained on paint bulletins. On yearly paint contracts, the units are purchased on a rotary basis and locations change every 60 days.

Barczyk does a great deal of business with outdoor advertising companies. She has also been in the position of purchasing other media, and states unequivocally that outdoor advertising is much less expensive than any other medium. "Not only are tv spots more expensive," she notes, "but they reach a very general audience. With outdoor advertising, a localized target audience can be reached depending on the exact nature or purpose of the specific advertising campaign."

According to Barczyk, the cost of outdoor went up at an average of 8-12% over the past five years.

## OUTDOOR ADVERTISING? BUY THE BOOK.



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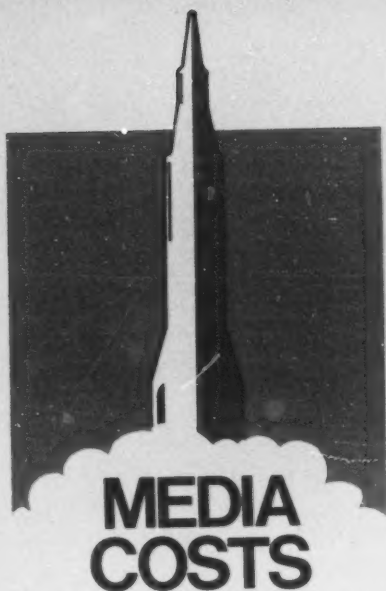
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# Costs right for radio?

Efficiency is the key word in contemplating time buying purchases on radio, the first of the electronic media, which record sales increases declare it's white, not red hot.

As advertisers become more disenchanted with the increasing prices of network television and declining audience shares, they are slowly beginning to dance to the beat of a different medium: network radio.

With record sales increases averaging 24% for the first months of this year and a projected 100% growth rate over last year's totals, network radio is glowing white hot.

Key to radio's heated up sales is that advertisers are finding it to be a highly efficient medium.

A recent study conducted by Ted Bates, tracking media trends from 1975-82, noted that while daytime network tv cpms swelled by 135%, and evening network by 151%, network radio's gains were a modest 66%.

Network radio is attracting a slew of new advertisers such as Burger King, Procter & Gamble, Vidal Sassoon and others. But it is also appealing to born again users.

Says Tom Lux, director of media buying for Gillette, "We're back into network radio after a ten year absence, due mainly to the high cost of network television. The money is coming out of our television budget."

Often compared with cable for its ability to target to selective audiences, agency sources claim that network radio is far superior in delivering effective national and market-by-market reach and frequency levels.

Says Ira Berger, director of national radio for Needham Harper & Steers, "Radio has the selectivity of cable with 99% of its coverage. It's also very low out-of-pocket compared to network tv."

To get the most mileage out of network radio, advertisers use it in a variety of different ways.

Burger King creates impact by running spots on network radio the one day they're not on television.

According to George Barry, vp and senior account manager at J. Walter Thompson, "This is the first time Burger King is using network radio in a big way. Our aim is to build impact and surprise as well as call attention to our television campaign."

Coined the "trip hammer effect" by agency sources, Burger King's radio schedule runs on ABC Contemporary, ABC-FM, ABC Information, NBC's The Source, Mutual and RKO 1 and 2.

State Farm Insurance creates impact with frequency. According to Ira Ber-

ger, "State Farm is heavily advertising on sports programing. They're associated with John Madden five days, 52 weeks a year. This consistent advertising association with a show is comparable to State Farm's owning it. This approach was used on network television years ago, but tv has gotten far too expensive for that today."

Because network radio is also applauded for its ability to reach the unreachable, namely young adult audiences, Lever Brothers advertises its Impulse body spray on ABC Contemporary and Entertainment, RKO 1 and 2 and NBC's The Source.

Says broadcast supervisor Bruce Heim, "We're on radio because it reaches the right target audience for this brand: females 12-24."

He continues, "We're more enthusiastic about network radio these days. We have confidence that our spots will run when they're supposed to because the nets have more control over their affiliates. They're also producing better quality programing and attaining the reach and frequency levels we're looking for."

To reach active males 25+, who are light television viewers, Poulan chainsaw advertises on Mutual during its NFL football double header, according to advertising manager Steve Moore. The company also targets to farmers during mid-day and evening news programing.

Says Moore, "We're on Mutual because of the programing and the size of the network. They also have increased coverage in C and D counties, which are important markets for us. "The company is considering purchasing time on the Satellite Music Network's country music format, but has made no firm commitments.

McDonald's is yet another dominant network radio advertiser. To lure commuters out of their cars for Egg McMuffins and other breakfast delights, the company advertises heavily during morning drive time.

Says Stan Nipcon, formerly assistant vp, media and marketing and presently store operations manager, "We know our radio advertising works. If we advertise hot cakes, we can tell by the number of people who buy them on a particular day how effective the campaign is."



**IRA BERGER, director of national radio, Needham, Harper & Steers, Inc.; "Radio has the selectivity of cable with 99% of its coverage."**

McDonald's buys time on both wired and unwired networks.

With the proliferation of networks over recent years, advertisers are confident that the right combination of buys will reach a broad percentage of their target audience.

The networks are also expanding in size as independent stations become network affiliates. In New York, for example, the top twelve stations are network affiliates and this trend seems to be emerging in other major markets as well.

Due to radio's efficiency, some advertisers purchase it even though it extends to areas outside of their markets.

A case in point is the US Navy which blankets the country with ad-

vertising on both wired and unwired networks then places heavier emphasis in its 90 recruiting districts with spot radio buys.

Says Charlie Trubia, sr vp, radio unit supervisor at Ted Bates, "Even though the Navy's radio campaign reaches areas outside of its recruiting districts, it's so highly efficient in district markets that it's worth it."

Yet another way of stretching advertising dollars on radio is by packaging tie-in campaigns around special events such as sports and entertainment programing. And as satellite technology continues to ease program distribution and coverage of live events, advertisers are extending their media campaigns through a variety of promotional activities.

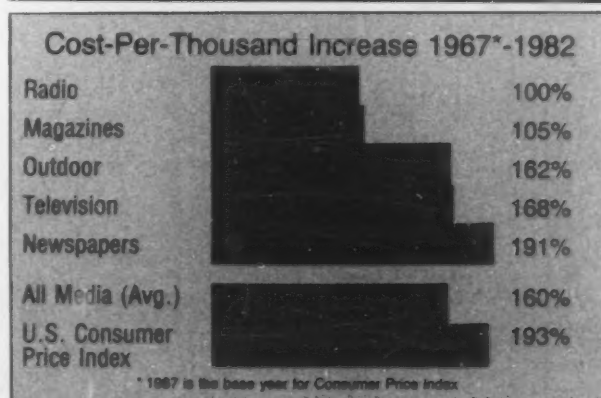
Says Trubia, "The key to getting the most mileage out of a radio campaign is imagination. When you really think about it there are unlimited tie-in possibilities."

Along these lines, agencies are also beginning to exert more influence on program production.

One agency source notes, "We might tell a producer that we're looking for a specific rock show with an English orientation to tie in with one of our product promotions. Although producers will not give up their creative control, if the suggested programing fits in with everyone's needs, there's a good chance they'll work with us."

In addition to increased reach and frequency, network radio's growing popularity of late is largely attributed

## Of All Major Media, Radio's C-P-M Increased Least Since 1967





to its sales people who are aggressively selling their medium.

According to one industry observer, "The advertising community is much more aware of radio than in the past, due for the most part to the terrific job done by the network radio sales forces who get heavily involved in their client advertising campaigns and offer creative ways of using the medium."

And while buying time on network radio was once considered a broadcast sideline, the proliferation of networks, constantly changing formats and new satellite delivery systems have added complexity to this medium.

Notes Trubia, "Media buyers have to go beyond the rating points when selecting stations. In addition to a changing set of broadcast variables,

knowledge of a particular station's surrounding terrain could also be instrumental."

Perhaps the biggest challenge for media buyers is keeping abreast of constantly changing radio formats, particularly among stations playing contemporary and rock music.

The driving force behind many of these changes is that stations are trying to target to the rich yet elusive baby boom demographic.

Of late, lighter dance-oriented music is slowly replacing the hits of the 60's and 70's and the old ABC-AM trend of playing the top 40 hits is also being revived on FM formats.

To reach younger music of your life (MOYL) listeners, stations are changing their formats to incorporate a mix

of songs from the 50's to the 80's that have been mellowed down into subdued, "easy listening" tones.

Will network radio continue to gain momentum among advertisers, or is the present resurgence in sales merely a temporary trend?

If stations continue to transmit quality programming, targeted to hard to reach, yet desirable audiences, most industry sources remain optimistic about network radio's future.

Though once considered a fairly insignificant medium, a growing number of advertisers are becoming aware of its importance.

As Harry Moore, brand manager for Chattem Inc. puts it, "You certainly can't leave radio out of your schedule. Almost everyone is listening."

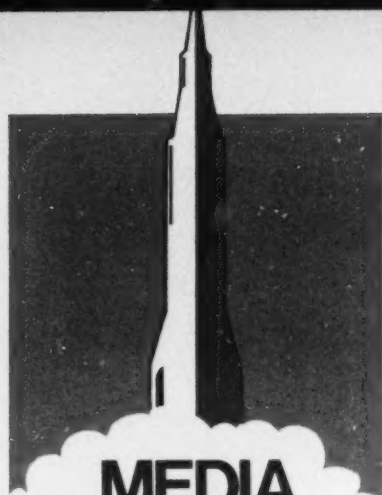
*Madeleine Dreyfack*

**Examples of radio rates — for target audience adults 25-54; spots distributed equally in 3 dayparts 6 a.m.-7 p.m.; goal 300 gross rating points (grp's) in 4 weeks; 60 reach, 5 frequency**  
(Prepared by Blair Radio using the BRAIN Reach & Frequency Planning System, allowing 15% discount for negotiations\*)

| Market               | No. of stations | No. of announcements | Net reach         | Reach rating | Avg freq    | Grps         | CPM T S A Impr | T S A gross impressions | :60 (adj) cost | C/P avg R P |
|----------------------|-----------------|----------------------|-------------------|--------------|-------------|--------------|----------------|-------------------------|----------------|-------------|
| New York             | 7               | 267                  | 3,885,200         | 59.9         | 5.19        | 310.6        | 3.44           | 21,968,000              | 75,516         | 243.13      |
| Los Angeles          | 9               | 318                  | 2,431,800         | 60.2         | 5.28        | 317.9        | 4.58           | 14,541,700              | 66,660         | 209.69      |
| Chicago              | 8               | 279                  | 1,936,100         | 61.7         | 5.27        | 325.4        | 5.06           | 11,996,700              | 60,737         | 186.65      |
| San Francisco        | 8               | 298                  | 1,452,200         | 61.9         | 5.28        | 326.6        | 5.20           | 8,844,200               | 46,019         | 140.90      |
| Philadelphia         | 5               | 178                  | 1,130,500         | 61.9         | 5.15        | 319.1        | 5.47           | 6,867,400               | 37,549         | 117.67      |
| Detroit              | 6               | 199                  | 991,400           | 57.6         | 5.12        | 294.9        | 3.91           | 5,861,700               | 22,945         | 77.81       |
| Boston               | 6               | 186                  | 802,700           | 59.4         | 5.10        | 302.9        | 7.02           | 5,399,300               | 37,923         | 125.20      |
| Houston-Galveston    | 6               | 175                  | 895,200           | 60.5         | 5.22        | 316.1        | 7.21           | 4,979,400               | 35,885         | 113.52      |
| Washington, D.C.     | 7               | 211                  | 870,800           | 61.6         | 5.25        | 323.6        | 6.41           | 5,277,900               | 33,824         | 104.52      |
| Dallas-Ft. Worth     | 6               | 170                  | 837,500           | 62.6         | 5.26        | 329.5        | 5.74           | 5,454,500               | 31,334         | 95.10       |
| <b>Markets 1-10:</b> |                 |                      | <b>15,233,400</b> | <b>60.6</b>  | <b>5.22</b> | <b>316.3</b> | <b>4.92</b>    | <b>91,190,800</b>       | <b>448,392</b> |             |
| Miami-Ft. Lauderdale | 7               | 192                  | 684,600           | 61.9         | 5.29        | 327.5        | 5.26           | 3,768,500               | 19,817         | 60.51       |
| St. Louis            | 4               | 117                  | 556,800           | 60.4         | 4.93        | 297.9        | 5.83           | 3,077,700               | 17,944         | 60.23       |
| Pittsburgh           | 4               | 122                  | 543,400           | 63.6         | 5.08        | 323.1        | 4.57           | 3,629,700               | 16,582         | 51.32       |
| Baltimore            | 7               | 208                  | 562,200           | 61.8         | 5.27        | 325.8        | 5.43           | 3,222,000               | 17,503         | 53.72       |
| Seattle-Everett      | 7               | 234                  | 559,600           | 60.5         | 5.28        | 319.7        | 6.36           | 3,601,800               | 22,911         | 71.86       |
| Minneapolis          | 4               | 147                  | 563,600           | 62.7         | 5.05        | 316.7        | 5.05           | 3,795,800               | 19,175         | 60.55       |
| Atlanta              | 4               | 127                  | 570,000           | 59.7         | 4.98        | 297.2        | 6.30           | 3,392,100               | 21,375         | 71.92       |
| San Diego            | 6               | 197                  | 478,600           | 60.1         | 5.18        | 311.4        | 5.63           | 2,479,800               | 13,952         | 44.80       |
| Cleveland            | 5               | 161                  | 454,000           | 62.1         | 5.24        | 325.5        | 5.90           | 4,115,300               | 24,286         | 74.61       |
| Tampa-St. Petersburg | 5               | 114                  | 341,600           | 58.8         | 4.95        | 291.2        | 5.69           | 2,081,700               | 11,845         | 40.68       |
| <b>Markets 1-20:</b> |                 |                      | <b>20,547,800</b> | <b>60.8</b>  | <b>5.20</b> | <b>315.8</b> | <b>5.10</b>    | <b>124,355,200</b>      | <b>633,782</b> |             |
| Denver-Boulder       | 6               | 181                  | 482,500           | 59.6         | 5.15        | 307.1        | 6.59           | 2,844,500               | 18,740         | 61.02       |
| Phoenix              | 5               | 171                  | 380,000           | 58.5         | 5.09        | 297.8        | 6.56           | 2,152,900               | 14,119         | 47.41       |
| Milwaukee-Racine     | 5               | 188                  | 362,300           | 58.6         | 5.00        | 293.1        | 8.09           | 1,992,300               | 15,125         | 55.02       |
| Providence-Worcester | 4               | 127                  | 333,400           | 62.0         | 5.17        | 320.6        | 5.61           | 1,814,000               | 10,178         | 31.75       |
| Cincinnati           | 5               | 162                  | 324,300           | 59.4         | 5.14        | 305.3        | 5.96           | 2,373,500               | 14,147         | 46.34       |
| Kansas City          | 5               | 173                  | 337,900           | 61.2         | 5.14        | 314.6        | 5.32           | 2,739,400               | 14,582         | 46.35       |
| Portland, OR         | 4               | 136                  | 316,700           | 57.7         | 5.00        | 288.5        | 7.42           | 1,953,400               | 14,485         | 50.21       |
| * Riverside          | 14              | 545                  | 240,600           | 48.5         | 4.93        | 239.3        | 11.76          | 1,228,200               | 14,448         | 60.38       |
| Buffalo              | 4               | 139                  | 286,400           | 62.5         | 5.07        | 317.0        | 7.39           | 1,748,200               | 12,927         | 40.78       |
| New Orleans          | 4               | 123                  | 299,900           | 59.0         | 5.10        | 308.9        | 3.54           | 2,151,300               | 7,614          | 25.30       |

| Market               | No. of<br>stations | No. of<br>announcements | Net reach         | Reach<br>rating | Avg<br>freq | Grps         | CPM<br>T S A<br>Impr | T S A<br>gross<br>impressions | :60<br>(adj)<br>cost | C/P<br>avg<br>R P |
|----------------------|--------------------|-------------------------|-------------------|-----------------|-------------|--------------|----------------------|-------------------------------|----------------------|-------------------|
| <b>Markets 1-30:</b> |                    |                         | <b>23,881,000</b> | <b>60.5</b>     | <b>5.18</b> | <b>313.4</b> | <b>5.31</b>          | <b>145,352,900</b>            | <b>771,147</b>       |                   |
| Norfolk-Portsmouth   | 5                  | 116                     | 291,500           | 60.6            | 5.20        | 314.8        | 5.19                 | 1,721,100                     | 8,929                | 28.36             |
| Sacramento           | 6                  | 174                     | 293,000           | 59.8            | 5.18        | 309.7        | 5.62                 | 2,062,300                     | 11,585               | 37.41             |
| Indianapolis         | 4                  | 102                     | 281,700           | 59.2            | 4.89        | 289.5        | 5.60                 | 1,694,600                     | 9,493                | 32.79             |
| Columbus, OH         | 4                  | 125                     | 266,500           | 58.5            | 5.01        | 293.0        | 6.63                 | 1,682,700                     | 11,158               | 38.08             |
| San Antonio          | 5                  | 151                     | 271,300           | 63.2            | 5.26        | 332.4        | 5.53                 | 1,760,500                     | 9,733                | 29.28             |
| Hartford-New Haven   | 3                  | 97                      | 240,300           | 62.1            | 4.98        | 309.2        | 8.79                 | 1,713,300                     | 15,053               | 48.68             |
| Rochester, N.Y.      | 3                  | 92                      | 227,200           | 59.2            | 4.92        | 291.3        | 7.91                 | 1,262,500                     | 9,991                | 34.30             |
| Memphis              | 5                  | 144                     | 219,200           | 59.7            | 5.08        | 303.2        | 7.32                 | 1,619,000                     | 11,846               | 39.07             |
| Louisville           | 4                  | 115                     | 210,600           | 57.1            | 4.90        | 279.9        | 6.02                 | 1,492,500                     | 8,981                | 32.09             |
| Salt Lake City       | 5                  | 153                     | 234,800           | 62.5            | 5.22        | 326.3        | 6.08                 | 1,753,300                     | 10,657               | 32.66             |
| <b>Markets 1-40:</b> |                    |                         | <b>26,417,900</b> | <b>60.4</b>     | <b>5.17</b> | <b>312.6</b> | <b>5.42</b>          | <b>162,114,700</b>            | <b>878,573</b>       |                   |
| Nashville            | 5                  | 149                     | 221,800           | 60.5            | 5.15        | 311.7        | 7.03                 | 1,764,200                     | 12,410               | 39.81             |
| Birmingham           | 4                  | 129                     | 213,600           | 62.5            | 5.12        | 319.8        | 6.54                 | 1,456,100                     | 9,529                | 29.80             |
| Oklahoma City        | 6                  | 181                     | 221,700           | 62.6            | 5.23        | 327.5        | 6.49                 | 1,667,300                     | 10,824               | 33.05             |
| Greensboro           | 4                  | 102                     | 208,600           | 59.0            | 4.98        | 293.8        | 4.16                 | 1,395,700                     | 5,807                | 19.77             |
| Dayton               | 5                  | 148                     | 200,300           | 59.8            | 5.09        | 304.1        | 7.58                 | 1,507,000                     | 11,418               | 37.55             |
| Albany-Schenectady   | 2                  | 59                      | 178,800           | 58.6            | 4.93        | 288.8        | 6.40                 | 1,263,600                     | 8,091                | 28.02             |
| Honolulu             | 5                  | 172                     | 209,100           | 62.6            | 5.20        | 325.3        | 5.15                 | 1,086,500                     | 5,596                | 17.20             |
| Toledo               | 5                  | 141                     | 192,500           | 63.4            | 5.25        | 332.8        | 5.17                 | 1,171,200                     | 6,055                | 18.19             |
| Orlando              | 3                  | 65                      | 187,300           | 61.1            | 5.18        | 316.8        | 4.14                 | 1,306,600                     | 5,407                | 17.07             |
| Jacksonville         | 4                  | 108                     | 186,800           | 60.5            | 5.06        | 306.0        | 6.42                 | 1,153,900                     | 7,405                | 24.20             |
| <b>Markets 1-50:</b> |                    |                         | <b>28,438,400</b> | <b>60.5</b>     | <b>5.17</b> | <b>312.6</b> | <b>5.46</b>          | <b>175,886,800</b>            | <b>961,115</b>       |                   |
| Tulsa                | 4                  | 101                     | 181,100           | 60.6            | 5.01        | 303.6        | 4.44                 | 1,319,000                     | 5,862                | 19.31             |
| West Palm Beach      | 6                  | 148                     | 131,100           | 60.5            | 5.07        | 307.0        | 8.53                 | 710,800                       | 6,063                | 19.75             |
| Northeast PA         | 4                  | 106                     | 143,500           | 61.0            | 5.04        | 307.2        | 5.72                 | 803,500                       | 4,594                | 14.95             |
| Allentown-Bethlehem  | 3                  | 78                      | 152,600           | 60.3            | 4.96        | 299.4        | 3.64                 | 927,600                       | 3,373                | 11.27             |
| Richmond             | 3                  | 84                      | 180,300           | 64.8            | 5.06        | 328.0        | 4.28                 | 1,136,400                     | 4,860                | 14.82             |
| Akron                | 7                  | 390                     | 124,500           | 48.5            | 4.75        | 230.4        | 20.22                | 846,900                       | 17,128               | 74.34             |
| Charlotte, GA        | 3                  | 66                      | 169,200           | 61.1            | 4.98        | 304.0        | 5.19                 | 1,732,800                     | 8,989                | 29.57             |
| Syracuse             | 2                  | 65                      | 147,900           | 60.6            | 4.98        | 301.8        | 8.38                 | 966,500                       | 8,101                | 26.84             |
| Grand Rapids         | 3                  | 106                     | 138,000           | 57.5            | 4.92        | 282.6        | 6.15                 | 1,094,100                     | 6,734                | 23.83             |
| Springfield          | 3                  | 70                      | 138,500           | 64.5            | 4.95        | 319.1        | 6.74                 | 713,000                       | 4,808                | 15.07             |
| <b>Markets 1-60:</b> |                    |                         | <b>29,945,100</b> | <b>60.5</b>     | <b>5.16</b> | <b>311.9</b> | <b>5.54</b>          | <b>186,137,400</b>            | <b>1,031,627</b>     |                   |
| Greenville           | 3                  | 84                      | 144,800           | 60.7            | 5.01        | 304.0        | 4.61                 | 1,213,900                     | 5,597                | 18.41             |
| Tucson               | 4                  | 114                     | 138,000           | 61.1            | 5.13        | 313.7        | 5.71                 | 736,200                       | 4,205                | 13.40             |
| Austin               | 4                  | 128                     | 142,600           | 59.5            | 4.98        | 296.2        | 8.41                 | 779,600                       | 6,559                | 22.14             |
| Raleigh-Durham       | 3                  | 95                      | 138,000           | 58.3            | 4.96        | 289.2        | 5.98                 | 1,691,500                     | 10,117               | 34.98             |
| Omaha                | 3                  | 91                      | 137,200           | 59.2            | 4.81        | 285.1        | 5.48                 | 1,161,900                     | 6,365                | 22.33             |
| Fresno               | 5                  | 182                     | 125,400           | 59.3            | 5.13        | 304.0        | 4.36                 | 1,390,600                     | 6,061                | 19.94             |
| Wilmington           | 7                  | 224                     | 115,900           | 54.8            | 4.93        | 270.0        | 8.74                 | 647,000                       | 5,656                | 20.95             |
| Youngstown           | 4                  | 118                     | 122,400           | 60.2            | 5.00        | 300.7        | 5.05                 | 887,000                       | 4,479                | 14.90             |
| Las Vegas            | 6                  | 194                     | 133,600           | 59.6            | 5.14        | 306.4        | 6.13                 | 704,700                       | 4,321                | 14.10             |
| Baton Rouge          | 3                  | 96                      | 133,300           | 63.8            | 5.09        | 325.0        | 3.16                 | 1,057,300                     | 3,342                | 10.28             |
| <b>Markets 1-70:</b> |                    |                         | <b>31,276,300</b> | <b>60.4</b>     | <b>5.15</b> | <b>311.3</b> | <b>5.54</b>          | <b>196,407,100</b>            | <b>1,088,329</b>     |                   |
| Flint                | 6                  | 186                     | 121,900           | 58.4            | 5.08        | 296.7        | 7.94                 | 704,200                       | 5,593                | 18.85             |
| Knoxville            | 2                  | 44                      | 111,100           | 55.9            | 4.71        | 263.0        | 3.28                 | 978,900                       | 3,210                | 12.21             |
| McAllen-Brownsville  | 4                  | 125                     | 119,200           | 64.4            | 5.16        | 332.0        | 4.87                 | 666,600                       | 3,246                | 9.76              |
| Albuquerque          | 4                  | 110                     | 126,900           | 62.8            | 5.03        | 316.1        | 4.68                 | 972,100                       | 4,553                | 14.40             |
| El Paso              | 4                  | 122                     | 118,200           | 60.8            | 5.15        | 313.1        | 6.38                 | 674,000                       | 4,303                | 13.74             |
| Lansing              | 4                  | 106                     | 110,500           | 58.7            | 4.96        | 291.1        | 4.87                 | 635,800                       | 3,094                | 10.63             |
| Harrisburg           | 3                  | 82                      | 106,900           | 58.6            | 5.00        | 293.3        | 9.09                 | 590,300                       | 5,366                | 18.30             |
| New Haven            | 5                  | 248                     | 98,700            | 60.2            | 5.10        | 307.0        | 12.26                | 824,000                       | 10,104               | 32.91             |
| Johnson City         | 4                  | 99                      | 114,300           | 62.8            | 5.01        | 314.4        | 2.73                 | 746,400                       | 2,041                | 6.49              |
| Mobile               | 2                  | 57                      | 97,100            | 55.8            | 4.54        | 253.3        | 5.51                 | 569,000                       | 3,137                | 12.38             |
| <b>Markets 1-80:</b> |                    |                         | <b>32,401,100</b> | <b>60.4</b>     | <b>5.15</b> | <b>310.8</b> | <b>5.56</b>          | <b>203,768,400</b>            | <b>1,132,976</b>     |                   |

\* Additional data available from Blair Radio on request.



## MEDIA COSTS

**J**ust how do the top 200 brands split their media?

A *Decisions* study of the practices of the Top 200 Brands shows that there are many variations from one product category to another. Cigarettes, of course, are denied the use of electronic media. But while television is often the most favored medium in a media budget, in some categories print comes up surprisingly strong.

The two computer companies that are included in the 1982 Top 200 Brands listing put 23% of funds into

# Big advertiser budget breaks

How types of advertisers of the Top 200 Advertised Brands chose to allocate their media dollars in national media. This report covers 24 categories of advertisers among the Top 200 Brand promoters. Data is shown in dollars for each category and in percentage of totals in each category allocated to the major media.

magazines and another 16% in newspapers. Network and spot television were evenly divided at 27% each. Among appliance marketers, 21% of the budget went to magazines, 10% to newspapers, and 60% to network television.

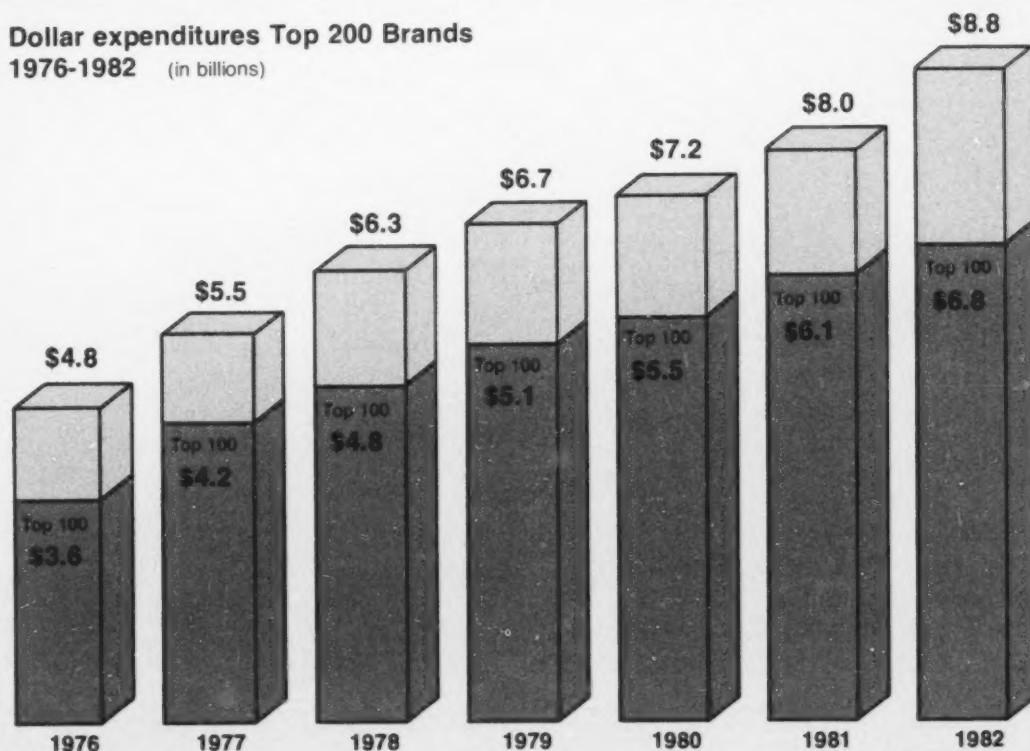
Automotive advertisers were the exception in the use of Sunday supplements, investing 13% of available dollars in that medium.

Retail chains, naturally, invested heavily in newspapers, to the tune of 80% of the budget. Communications

companies were also heavy users of newspapers, placing 26% of the budget in that form of print.

Sources from which the data were drawn include Leading National Advertisers (LNA), Broadcast Advertising Reports (BAR), Publishers Information Bureau (PIB), for network and spot tv, network radio, outdoor, Sunday supplements, and magazines; Media Records for national newspaper advertising, Radio Expenditure Reports (RER), and Radio Advertising Bureau (RAB) for spot radio.

**Dollar expenditures Top 200 Brands**  
1976-1982 (in billions)





# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 4 leading retail chains

|         | Magazines | Supps | Newspapers  | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor | Total       |
|---------|-----------|-------|-------------|-----------|----------|-----------|------------|---------|-------------|
| Dollars | \$58,565  | \$505 | \$1,145,720 | \$143,798 | \$46,474 | \$14,036  | \$12,027   | \$73    | \$1,421,198 |
| Percent | 5%        | *     | 80%         | 10%       | 3%       | 1%        | 1%         | *       | 100%        |

| Mag. | Newsp. | Net tv | Spot tv | radio | Out. |
|------|--------|--------|---------|-------|------|
| 3%   | 80%    |        | 10%     |       |      |

\* less than 1%

## 10 automotives

|         | Magazines | Supps   | Newspapers | Net tv    | Spot tv   | Net radio | Spot radio | Outdoor  | Total       |
|---------|-----------|---------|------------|-----------|-----------|-----------|------------|----------|-------------|
| Dollars | \$160,977 | \$1,200 | \$139,139  | \$351,032 | \$263,617 | \$8,643   | \$111,370  | \$15,517 | \$1,051,495 |
| Percent | 15%       | 1%      | 13%        | 33%       | 25%       | 1%        | 10%        | 2%       | 100%        |

| Supps. | Newsp. | Net tv | Spot tv | Net radio | Spot radio | Out. |
|--------|--------|--------|---------|-----------|------------|------|
|        | 13%    | 33%    |         | 1         | 10%        | 2    |

## 7 cigarettes

|         | Magazines | Supps    | Newspapers | Net tv | Spot tv | Net radio | Spot radio | Outdoor   | Total     |
|---------|-----------|----------|------------|--------|---------|-----------|------------|-----------|-----------|
| Dollars | \$191,456 | \$35,725 | \$144,319  | —      | —       | —         | —          | \$115,363 | \$486,863 |
| Percent | 40%       | 5%       | 30%        | —      | —       | —         | —          | 25%       | 100%      |

| Mag. | Supps | Newsp. | Out. |
|------|-------|--------|------|
| 30%  | 5%    | 30%    | 25%  |

## 5 beers

|         | Magazines | Supps | Newspapers | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|-----------|----------|-----------|------------|---------|-----------|
| Dollars | \$9,192   | —     | \$4,430    | \$182,986 | \$55,477 | \$6,299   | \$50,982   | \$4,456 | \$313,822 |
| Percent | 3%        | —     | 2%         | 57%       | 17%      | 3%        | 16%        | 2%      | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Net radio | Spot radio | Out. |
|-------|--------|--------|---------|-----------|------------|------|
| 2     | 57%    |        |         | 3         | 16%        | 2    |

# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 5 medicines

|         | Magazines | Supps | Newspapers | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|-----------|----------|-----------|------------|---------|-----------|
| Dollars | \$7,201   | \$371 | \$751      | \$143,369 | \$14,899 | \$1,432   | \$144      | \$8     | \$168,175 |
| Percent | 4%        | *     | 1%         | 85%       | 9%       | 1%        | *          | *       | 100%      |



\* less than 1%

## 3 cereals

|         | Magazines | Supps | Newspapers | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|-----------|----------|-----------|------------|---------|-----------|
| Dollars | \$12,633  | \$539 | \$2,929    | \$112,050 | \$49,598 | —         | \$822      | \$254   | \$178,825 |
| Percent | 2%        | *     | 2%         | 63%       | 28%      | *         | *          | *       | 100%      |



## 5 coffees

|         | Magazines | Supps   | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|---------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$3,283   | \$4,316 | \$3,053    | \$84,675 | \$18,250 | \$6,350   | \$3,019    | —       | \$122,946 |
| Percent | 3%        | 4%      | 2%         | 69%      | 15%      | 5%        | 2%         | *       | 100%      |



## 2 dog foods

|         | Magazines | Supps   | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|---------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$9,120   | \$1,246 | \$2,658    | \$86,082 | \$20,076 | —         | \$225      | \$110   | \$119,517 |
| Percent | 8%        | 1%      | 2%         | 72%      | 17%      | *         | *          | *       | 100%      |



# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 6 soft drinks

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$5,157   | —     | \$5,624    | \$82,887 | \$99,682 | —         | \$21,948   | \$5,790 | \$221,088 |
| Percent | 3%        | —     | 3%         | 39%      | 43%      | *         | 10%        | 3%      | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Spot radio | Out. |
|-------|--------|--------|---------|------------|------|
| 3     |        | 39%    |         | 10%        | 3    |

\* less than 1%

## 2 candy & gum

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|----------|
| Dollars | \$3,804   | \$595 | \$1,447    | \$51,264 | \$14,823 | —         | \$445      | —       | \$72,378 |
| Percent | 5%        | *     | 2%         | 71%      | 21%      | *         | 1%         | *       | 100%     |

| Mags. | Newsp. | Net tv | Spot tv | Spot radio |
|-------|--------|--------|---------|------------|
| 2     |        | 71%    |         |            |

## 13 miscellaneous foods

|         | Magazines | Supps   | Newspapers | Net tv    | Spot tv   | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|---------|------------|-----------|-----------|-----------|------------|---------|-----------|
| Dollars | \$59,833  | \$4,609 | \$14,844   | \$257,030 | \$115,142 | \$8,360   | \$3,844    | \$131   | \$463,793 |
| Percent | 13%       | 1%      | 3%         | 55%       | 25%       | 2%        | 1%         | *       | 100%      |

| Mags. | Supps. | Newsp. | Net tv | Spot tv | Net & Spot radio |
|-------|--------|--------|--------|---------|------------------|
|       | 1      | 3      | 55%    |         |                  |

## 7 fast food marketers

|         | Magazines | Supps | Newspapers | Net tv    | Spot tv   | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|-----------|-----------|-----------|------------|---------|-----------|
| Dollars | \$974     | \$931 | NA         | \$122,376 | \$209,136 | \$1,724   | \$5,926    | \$5,681 | \$346,748 |
| Percent | *         | *     | *          | 35%       | 60%       | 1%        | 2%         | 2%      | 100%      |

| Net tv | Spot tv | Net & Spot radio | Out. |
|--------|---------|------------------|------|
|        |         |                  | 2    |



# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 5 airlines

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$9,964   | \$649 | \$89,979   | \$31,285 | \$61,329 | \$185     | \$50,221   | \$4,621 | \$248,233 |
| Percent | 4%        | *     | 36%        | 12%      | 25%      | *         | 20%        | 2%      | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Spot radio | Out. |
|-------|--------|--------|---------|------------|------|
|       | 36%    | 12%    |         | 20%        | 2    |

\* less than 1%

## 6 gas & oil advertisers

|         | Magazines | Supps   | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|---------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$15,882  | \$3,300 | \$12,399   | \$32,537 | \$28,095 | \$5,150   | \$8,208    | \$403   | \$105,974 |
| Percent | 15%       | 3%      | 12%        | 31%      | 27%      | 4%        | 8%         | *       | 100%      |

| Mags. | Supps. | Newsp. | Net tv | Spot tv | Net radio | Spot radio |
|-------|--------|--------|--------|---------|-----------|------------|
|       | 3      | 12%    | 31%    |         | 4%        | 8%         |

## 3 toy & game advertisers

|         | Magazines | Supps | Newspapers | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor  | Total     |
|---------|-----------|-------|------------|-----------|----------|-----------|------------|----------|-----------|
| Dollars | \$20,288  | \$364 | \$15,986   | \$133,446 | \$83,815 | \$3,565   | \$13,769   | \$13,062 | \$284,295 |
| Percent | 8%        | *     | 6*         | 48%       | 30%      | 2%        | 5%         | 1%       | 100%      |

| Mags. | Newsp. | Net<br>tv | Spot<br>tv | Net<br>radio | Spot<br>radio | Out |
|-------|--------|-----------|------------|--------------|---------------|-----|
|       | 6%     | 48%       |            | 2            | 5%            | 1   |

## 7 entertainment budgets

|         | Magazines | Supps   | Newspapers | Net tv    | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|---------|------------|-----------|----------|-----------|------------|---------|-----------|
| Dollars | \$8,732   | \$1,334 | \$2,862    | \$102,096 | \$65,744 | \$202     | \$9,460    | \$623   | \$191,053 |
| Percent | 5%        | *       | 1%         | 54%       | 35%      | *         | 5%         | *       | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Spot radio |
|-------|--------|--------|---------|------------|
|       | 1      | 54%    |         | 5%         |

# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 4 communications

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$51,212  | \$540 | \$50,507   | \$40,160 | \$45,062 | \$12,221  | \$1,693    | \$73    | \$201,468 |
| Percent | 27%       | *     | 26%        | 21%      | 24%      | 1%        | 1%         | *       | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Net & Spot radio |
|-------|--------|--------|---------|------------------|
| 27%   | 26%    | 21%    |         |                  |

\* less than 1%

## 5 soaps & cleansers

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|----------|
| Dollars | \$3,157   | —     | \$59       | \$67,450 | \$23,881 | \$707     | \$42       | —       | \$95,296 |
| Percent | 3%        | *     | *          | 71%      | 25%      | 1%        | *          | *       | 100%     |

| Mags. | Net tv | Spot tv | Net radio |
|-------|--------|---------|-----------|
| 71%   |        |         |           |

## 3 toothpastes

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|---------|-----------|------------|---------|----------|
| Dollars | \$4,298   | \$26  | \$47       | \$62,668 | \$7,498 | \$10,620  | —          | —       | \$85,157 |
| Percent | 5%        | *     | *          | 75%      | 8%      | 12%       | *          | *       | 100%     |

| Mags. | Net tv | Spot tv | Net radio |
|-------|--------|---------|-----------|
| 5%    | 75%    |         | 12%       |

## 4 cameras

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total     |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|-----------|
| Dollars | \$37,052  | \$715 | \$6,454    | \$91,452 | \$15,689 | \$3,713   | \$2,400    | \$696   | \$158,171 |
| Percent | 23%       | *     | 4%         | 58%      | 10%      | 2%        | 2%         | 1%      | 100%      |

| Mags. | Newsp. | Net tv | Spot tv | Net & Spot Radio Out. |
|-------|--------|--------|---------|-----------------------|
|       | 4%     | 58%    |         |                       |

# Budgeting practice of selected Top 200 Brands (by category in thousands of dollars and percentages)

## 2 insurance companies

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|---------|-----------|------------|---------|----------|
| Dollars | \$3,950   | —     | \$434      | \$25,645 | \$4,211 | \$2       | \$2,401    | \$4     | \$36,647 |
| Percent | 11%       | *     | 1%         | 70%      | 12%     | *         | 6%         | *       | 100%     |

| Mags. | Newsp. | Net tv | Spot tv | Spot radio |
|-------|--------|--------|---------|------------|
|       | 1      | 70%    |         | 6%         |

## 3 apparel advertisers

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|---------|-----------|------------|---------|----------|
| Dollars | \$4,065   | \$23  | \$224      | \$32,652 | \$907   | \$537     | \$1,209    | \$31    | \$39,648 |
| Percent | 11%       | *     | *          | 83%      | 2%      | 1%        | 3%         | *       | 100%     |

| Mags. | Net Tv | Spot tv | Net radio | Spot radio |
|-------|--------|---------|-----------|------------|
|       | 83%    |         |           | 13         |

## 5 appliances

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|---------|-----------|------------|---------|----------|
| Dollars | \$16,081  | \$400 | \$7,765    | \$46,495 | \$6,411 | \$177     | \$399      | \$130   | \$77,858 |
| Percent | 21%       | 1%    | 10%        | 60%      | 8%      | *         | *          | *       | 100%     |

| Mags. | Supps. | Newsp. | Net tv | Spot tv |
|-------|--------|--------|--------|---------|
|       | 1      | 10%    | 60%    |         |

## 2 computer corporations

|         | Magazines | Supps | Newspapers | Net tv   | Spot tv  | Net radio | Spot radio | Outdoor | Total    |
|---------|-----------|-------|------------|----------|----------|-----------|------------|---------|----------|
| Dollars | \$14,727  | \$740 | \$10,488   | \$17,633 | \$17,144 | \$1,590   | \$2,774    | \$73    | \$65,169 |
| Percent | 23%       | 1%    | 16%        | 27%      | 27%      | 2%        | 4%         | *       | 100%     |

| Mags. | Supps. | Newsp. | Net tv | Spot tv | Net & Spot radio |
|-------|--------|--------|--------|---------|------------------|
|       | 1      | 16%    | 27%    |         | 24               |



# Ad budgets are a matter of timing

**Decisions survey among top 200 advertised brands shows that the budgeting process continues year round. The budgets run a six-pronged gauntlet over a four to eight month period. Agency and advertiser media specialists are involved from start to finish.**

**B**udgeting, like bottom line, is a pervasive advertising concern that never abates, either with the advertiser or with the agency. It is an activity that continues throughout the year.

Survey results prove it.

*Decisions* asked the key marketing/media people in top 200 Brand companies to expound on the timing of major budgeting procedures in each month of the year. The results have been charted on this and on following pages.

The conclusions:

- **Budgeting is constant.** At least seven percent of all brand marketing teams initiate budgeting activity, or make crucial decisions in each of the 12 months.

- **Start-up time for budgeting is during the summer months, June, July or August.**

- **More than 12 percent of major media decisions are made in the span of months from May to November.**

- **Calendar year budgeting is preferred by more than half of the big brands (56%), but 44% are budgeted on a fiscal year basis.**

- **The budget undergoes constant review,** as much as quarterly or even more often if it does not become cumbersome, by two thirds of the big brand advertisers. A miniscule amount, less than 3 percent, claim that they do not review the budget during the year.

- **One-quarter of the year is needed to move the budget by an over-**

whelming percentage (89%) of the brand groups —. The course begins at start-up and concludes with a blue-ribbon presentation to top management. In many cases the campaign trails the budgeting by an average of six months. There is a small portion of time allowed for alterations, but most of the incremental times goes into execution — creative and media negotiation ordering.

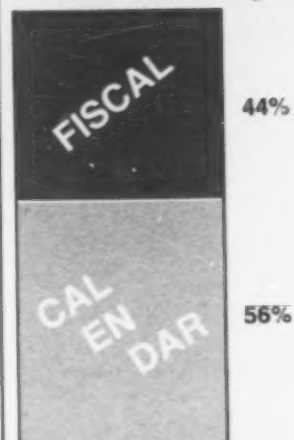
- **Agency involvement begins at startup in at least 60 percent of the advertiser budget considerations.** Most of the incremental time goes into execution.

- **Media recommendations come a month after the budget is formulated in more than half the companies, more than 90 percent by the end of the third month.**

- **The media plan is usually presented to marketing management in the first month in 19 percent of the cases, in the second month to a like percentage, in the third month in 39 percent and in the fourth month to 20 percent.**

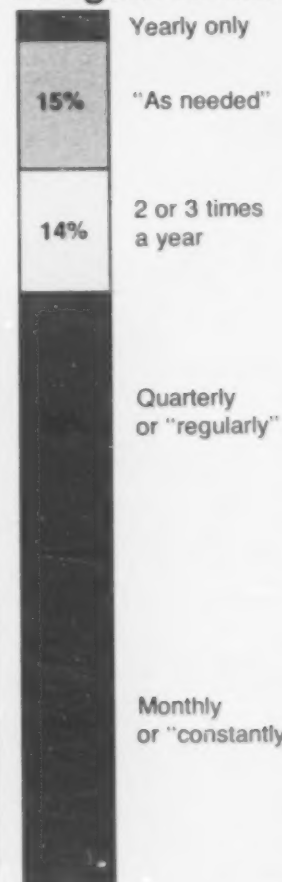
- **Marketing Management is aware of the total budget at the same time it gets a media breakdown in 66 and 2/3 percent. In about 25 percent of the companies the total dollar amount is set before the budget and media plan are presented to marketing management in detail. Seven percent of the time, the total dollars are established later.**

## Budget for fiscal vs. calendar year



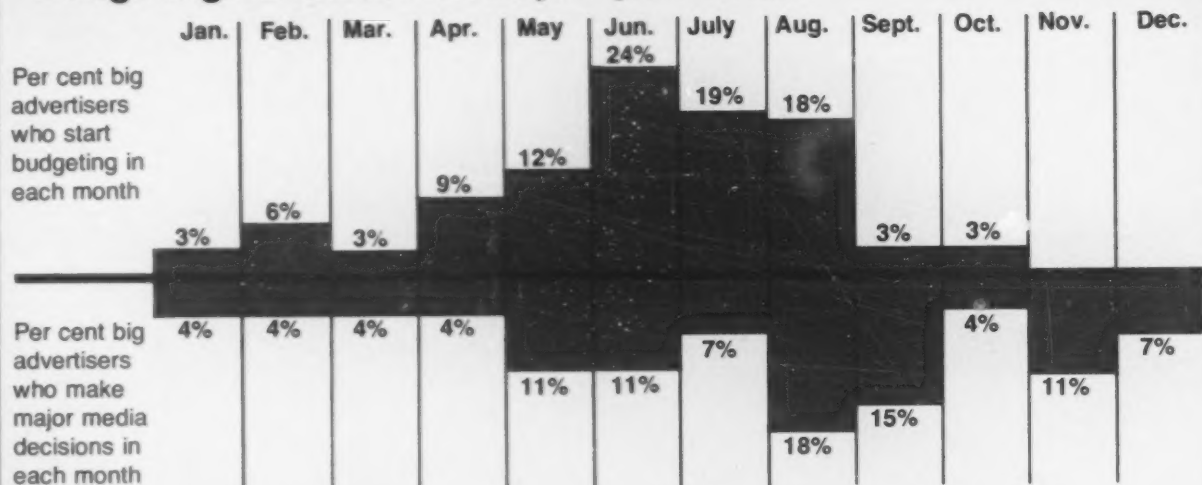
Source: Decisions survey among Top 200 Advertised Brands

## How often are budgets reviewed



Source: Decisions survey among Top 200 Advertised Brands

## Budgeting calendar: activity is year-round



Source: Decisions survey among Top 200 Advertised Brands.

• **Top management receives the budget at the same time as the marketing chiefs in 23 percent of the companies.** In 60 percent of the cases, top management gets its presentation of the budget from 30 to 90 days after marketing management.

In most cases, budget planning is not

a quick process. The spenders know what is at stake, and spend the bulk of each year working on it.

Because different advertisers work on budgeting activity at different times, the activity continues year round. The summer, however, when other activities are traditionally slow, is a time

most of the top 200 fine tune their budgets. There are few fall startups.

The dollars available for media, however, in more than one-quarter of the companies, are set before the media budget recommendations are presented for approval to marketing management.

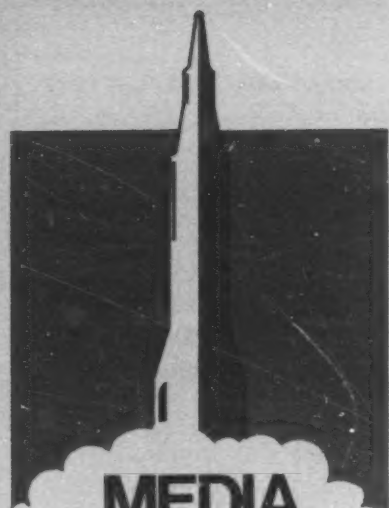
## When key budgeting activities are phased-in

(cumulative per cent of cases from start-up)

|               | Agency gets into picture | Media specialist involved | Media recommendations | Media plan to marketing management | Total budget to marketing management | Total budget to top management |
|---------------|--------------------------|---------------------------|-----------------------|------------------------------------|--------------------------------------|--------------------------------|
| At start-up   |                          | 58%                       |                       |                                    |                                      |                                |
| First month   |                          |                           | 21%                   | 19%                                | 27%                                  | 3%                             |
| Second month  |                          |                           | 50%                   | 38%                                | 57%                                  | 35%                            |
| Third month   |                          |                           |                       |                                    |                                      | 58%                            |
| Fourth month  |                          |                           |                       |                                    |                                      |                                |
| Fifth month   |                          |                           |                       |                                    |                                      |                                |
| Sixth month   |                          |                           |                       |                                    |                                      |                                |
| Seventh month |                          |                           |                       |                                    |                                      |                                |

(color boxes indicate 60% or more)

Source: Decisions survey among Top 200 Advertised Brands



## MEDIA COSTS

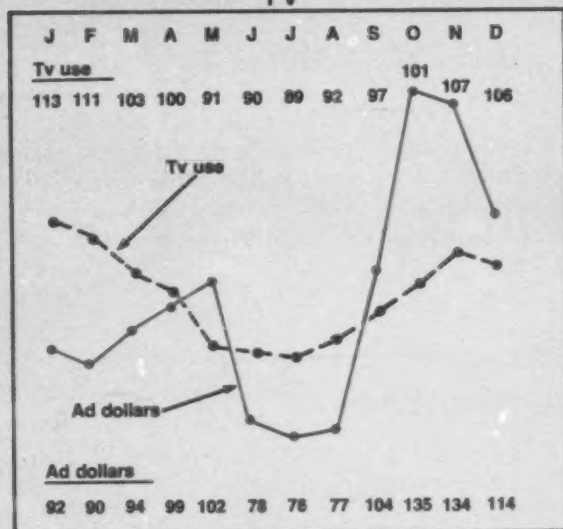
# Variation for all seasons: ad dollars vs. audience values.

The criss cross patterns in the charts below illustrate the audience values and the amount of expenditures.

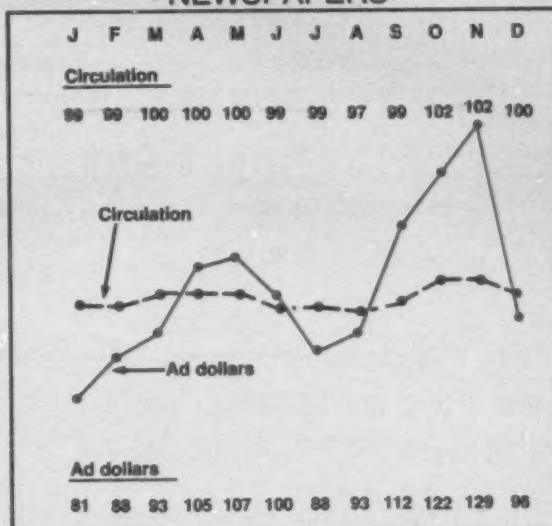
The seasonal opportunities are graphically apparent. Where listening, viewing, reading is higher than ad dollars, advertisers are getting more value in absence of clutter and competition for attention, but they aren't buying.

In some cases it makes sense for the advertisers to match, not mix their buying seasons. Much of the variation in these charts, however, is based on false assumptions. The indexes are equated to tv use per home per day, radio average quarter hour listening by persons, 12 or over, magazine reading (TGI 1973-74) daily newspaper circulation.

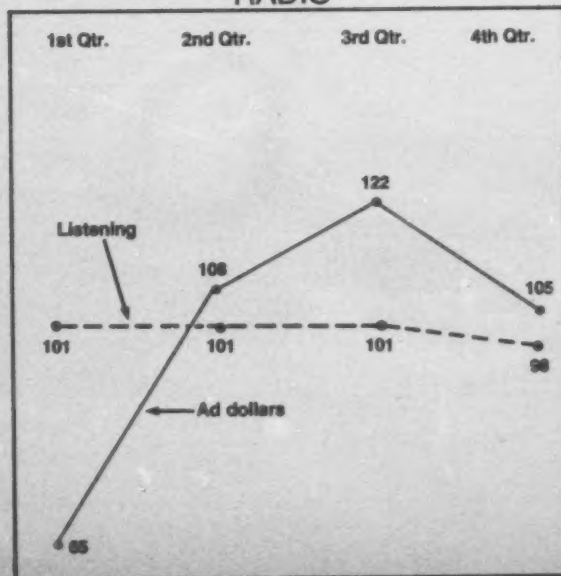
### TV



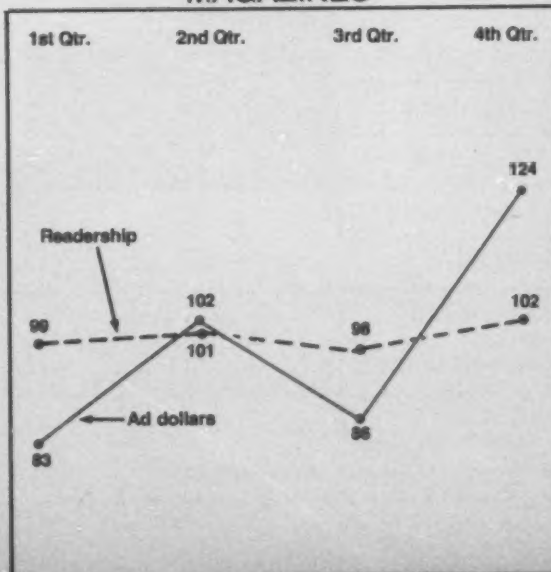
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### RADIO



### MAGAZINES





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MARKETING &  
MEDIA

OCTOBER 1983 • \$3.00

# Decisions

C 2950-3 10/31/83

Tuesday, Sept

0 5

Pennsylvania  
Lottery



0711 0141861 41 93  
JOSEPH MCNALLY  
CONGRESSIONAL INF SVC  
4520 EAST-WEST HWY #800  
BETHESDA MD 20814

... gets a  
lift

Special report  
on automotives

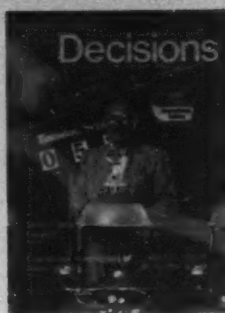
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Brand report  
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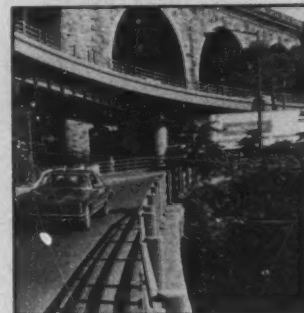
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by Lou Hagopian

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## FUTURES

(from 24)

### More numbers on NEM growth

A recently released report conducted by Predicasts, a market research firm, found that U.S. consumers will continue to be interested in videotex and teletext. Predicasts sees the \$118 million revenues of 1982 ballooning to \$11.5 billion by the mid-1990's.

Possible barriers to potential growth cited in the report include the lack of a common system standard, of fully developed products and services, and, increasingly with penetration, the future form and direction of pricing structures of service fees. Subscriber fees are expected to drop as the consumer base increases. But since current systems tend to be informational,

### U.S. Videotex & Teletext Markets

| ITEM                           | 1977   | 1982   | 1987 | 1995  | % Annual Growth |         |         |
|--------------------------------|--------|--------|------|-------|-----------------|---------|---------|
|                                |        |        |      |       | 1977/82         | 1982/87 | 1987/95 |
| GNP (bil \$)                   | 1918.3 | 3059.3 | 4889 | 9755  | 9.8             | 9.8     | 9.0     |
| rev/000\$ GNP                  | .01    | .04    | .54  | 1.18  | —               | —       | —       |
| Total Vid/Tel Revenue (mil\$)  | 10     | 118    | 2630 | 11535 | 63.8            | 86.0    | 20.3    |
| Videotex Revenues              | 10     | 118    | 2135 | 9910  | 63.8            | 78.4    | 21.2    |
| Residential                    | 10     | 118    | 1675 | 8000  | 63.8            | 70.0    | 21.6    |
| Business                       | —      | neg    | 460  | 1910  | —               | —       | 19.5    |
| Teletext Revenues              | —      | —      | 495  | 1625  | —               | —       | 16.0    |
| Households (mil)               | 74.1   | 83.5   | 92.9 | 105.0 | 2.4             | 2.2     | 1.5     |
| % with Videotex                | neg    | .1     | 6.0  | 20.0  | —               | —       | —       |
| Households with Videotex (mil) | neg    | .1     | 5.6  | 21.0  | —               | 123.7   | 18.0    |
| revenue/hshld/month            | —      | 98     | 25   | 32    | —               | -23.9   | 3.1     |
| % with Teletext                | —      | —      | 8.1  | 62.9  | —               | —       | —       |
| Households with Teletext (mil) | —      | —      | 7.5  | 66    | —               | —       | 31.2    |
| revenue/hshld/month            | —      | —      | 5.5  | 2.1   | —               | —       | -11.3   |

SOURCE: Predicasts, Inc.; Cleveland, Ohio

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### Columbus Is Stretching

The Columbus Metropolitan Statistical Area has changed. Our borders have stretched to seven central Ohio counties with a population of 1,269,800. That makes the Columbus MSA the 33rd largest market in the country. And the number of households has increased accordingly — ranking us 31st nationally. Our market's affluence is also keeping pace with our new ranking. Disposable income now exceeds \$12 billion. Wouldn't you like a share of these billions? Reach a growing market by including The Columbus Dispatch and Citizen-Journal in your media plan. In central Ohio, newspapers are the only true mass medium.

Source:  
CSA/MM 1983 Survey of Buying Power

**The Columbus Dispatch**

Evening and Sunday

**Columbus Citizen-Journal**

Morning

Represented nationally by Ciesmar, Woodward, O'Hara and Ormsbee, Inc.

rather than transactional, prices may eventually be spread over a wide range.

The report found that the in-home market shows the greatest potential for growth, even though business use of videotex systems is expected to fuel short-term expansion.

Teletext is expected to become even more prevalent than videotex, primarily because it is cheaper and easier to use. By 1995, the report predicts, two-thirds of all U.S. households will be equipped to receive transmission, adding up to a \$1.6 billion market.

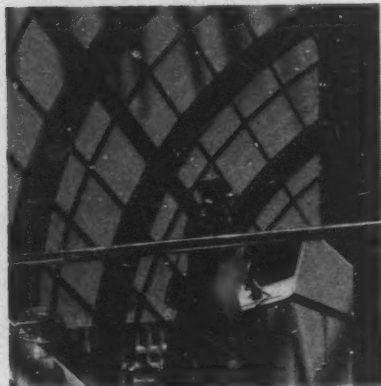
A second report, released by Media Science Reports, sees the past four years of the "NEM Revolution" as the prelude to a massive change, to take place within the next four.

NEM, the report predicts, "will roll out to 7 out of 10 households, with the average NEM household to have access to 3.2 NEM types." Technology involved in the description ranges from pay tv, video games and video cassettes, to advanced computers.

Media Science Reports interprets these "tv-behavior changers" as posing a threat to tv advertising effectiveness, stating, "By 1987, there will be effective barricades against forms of tv advertising in 7 out of 10 households."

# THE NEW ELECTRONICS

## Videotex gets mailed in San Francisco



### Shopping while shopping

However long it takes for electronic information access to get into the home, in California's Bay Area, public access to information terminals is being provided. The Bay Area Teleguide, developed by the San Francisco *Chronicle* and Infomart, of Toronto, Canada, with Videotex America, will place 300 terminals at public locations by the end of 1984. Installation in the city begins the first of 1984. The terminals will be located in shopping malls, hotel lobbies, public transit stations and tourist attractions.

Basic cost to information providers is \$200 per page per year plus a one-time listing fee and page creation costs. Initially, there will be an index of 14 categories.

Peter E. Thieriot, president of Chronicle Videotex, Inc., commented, "Teleguide is not an advertising vehicle. It is an information bridge which offers users one centralized source of information about merchandise and services available in the Bay Area. It's an effective, non-intrusive way to supplement advertising expenditures at the moment purchasing decisions are about to be made."

## Figures in on electronic publishing

Still an infant industry, electronic publishing is gradually building its base. As of mid-1983, 88 newspapers are providing 1.4 million U.S. households with electronic information via cable television channels.

A report on the industry from Pacific Satellite Corporation, San Francisco, shows that some newspapers are turning a profit on their newsvideo operations. Revenues range from a high of \$30 per cable subscriber per year, to a low of \$.50.

Two-thirds of the newsvideo ventures studied have been in operation for less than three years. But several report revenues which exceed operating expenses.

The average capital investment reported by newsvideo publishers for electronic equipment, software and other hardware was \$49,076, according to the report.

## Ads on pay cable may win support

Limited advertising on pay cable channels could be the solution to the churn, according to findings from Statistical Research, Inc., in Westfield, N.J.

The study documents why people bought cable, why they bought or added premium channels and why they dropped some services.

Among the highlights is that three quarters of persons who have premium channels are willing to accept advertising on those services in exchange for cost stability if ads appear between programs, with no commercial interruptions of the programs.

Also, 37% would be willing to accept show interrupting commercials if the pod length were half of what it is on commercial broadcast television.

## INTV/Simmons study yields positive results

A recent study conducted by the Association of Independent Television Stations and Simmons Market Research Bureau happily confirmed what independent station managers have been claiming for quite some time: "Independent and affiliate viewing composition is the same in key socio-economic demographics and product usage characteristics."

Conducted in 38 major market ADI's with 10,175 18+ adults surveyed, the study also found that product usage/purchase characteristics in big ticket categories did not differ between affiliate and independent station viewers across day parts.

Product categories viewers were surveyed on include: air travel/foreign, new car past two years, stereo components, fast food \$8+/month, grocery \$70+/week, women's jeans, opened savings/checking past year, imported beer, imported wine and spent \$100+/dept. store, past 3 months.

### UPSCALE DEMOGRAPHICS Adults 18+/Average Half-Hour

|              | \$35,000 +<br>HH Inc.<br>% Comp. | Graduated<br>College<br>% Comp. | Professional/<br>Manager<br>% Comp. |
|--------------|----------------------------------|---------------------------------|-------------------------------------|
| Early Fringe |                                  |                                 |                                     |
| IND          | 15                               | 13                              | 15                                  |
| AFF          | 17                               | 16                              | 15                                  |
| Prime Access |                                  |                                 |                                     |
| IND          | 18                               | 17                              | 18                                  |
| AFF          | 16                               | 14                              | 13                                  |
| Prime        |                                  |                                 |                                     |
| IND          | 19                               | 17                              | 19                                  |
| AFF          | 19                               | 16                              | 17                                  |
| Late Fringe  |                                  |                                 |                                     |
| IND          | 18                               | 18                              | 22                                  |
| AFF          | 22                               | 18                              | 19                                  |
| Late evening |                                  |                                 |                                     |
| IND          | 16                               | 18                              | 18                                  |
| AFF          | 19                               | 17                              | 17                                  |



## Simmy Sussman on media salaries

**Simmy Sussman, marketing and ad agency placement specialist, surveys the marketplace and finds high compensation for quality media people.**

**A**t this writing, there is a young fellow driving across the country to accept a post from a national advertiser for two and a half times his agency salary. His new title will be director of national media, and he will be working for the company he serviced as a client.

The man has a total of five years experience, beginning with one year in New York, two years with a major

midwestern agency on a substantial piece of business, and one more year in New York. It should be reported that on his return to New York, after two years in the hinterlands, he had two offers.

Now after a year, he leaves New York to take on a plum assignment. When one is good, the media marketplace is ripe with opportunities.

Another case in point is a 26-year-old woman, in the business since October 1978, who is considering an offer ranging from \$48K to \$50K. Her career thus far: two years at one major agency, starting as an assignment planner, moving up to senior planner on a major package good piece of business. She moved to another agency as a media supervisor. Her ex-



perience includes work on such blue chip business as General Foods.

What does all this mean? Although those who are good can write their own ticket, the problem of finding good media people is itself becoming more acute.

### The training situation

And the situation may get worse if there are no training programs soon. Thousand of youngsters who have decided to go into advertising are either roaming the streets, trying to arrange interviews or figuring out precisely what they want to do in the field. But most of them are not directed or have no focused goals. And even those looking into media have problems, since the major agencies have not kept up with their training programs.

This is a business that must recharge itself with people. Youth must be trained for the business to survive. Fortunately, there are a few agencies that have seriously continued their training programs, the best of which are in the New York offices of Young & Rubicam and Benton & Bowles. They bring in entry-level media trainees, put them through their own system, rotating them on different accounts, and finally promoting them into planning positions. Those who stay can make it to supervisor, assistant media director, and on up the line.

One problem is that there are too few of these training programs. Another is that these larger agencies are targets for smaller shops looking for media planners.

Why do I call them targets? Media departments in the agencies that train have passed on their own standards and finely honed techniques, to the point that the agencies that don't want to invest in training go there. The trained planners have become quite desirable, and are therefore vulnerable to monetary offers. Both Benton & Bowles and Y&R have tried to counteract this movement by consistently promoting from within.

### The media exit

Another danger to media's future is that many people look at the area as a stepping stone to other careers. Now, at top 10 agencies, few people are moved into account management from media. But these agencies also tend to

## How salaries range in marketing and media at major 4A advertising agencies

### MEDIA

|                                                 |                     |
|-------------------------------------------------|---------------------|
| 1. Executive vp-director of marketing services  | \$70,000—\$150,000. |
| 2. Senior vp-media director                     | \$50,000—\$125,000. |
| 3. VP-director of local broadcast management    | \$40,000—\$ 80,000. |
| 4. VP-associate media director                  | \$32,000—\$100,000. |
| 5. VP-assistant media director                  | \$32,000—\$ 45,000. |
| 6. Assistant media director or media supervisor | \$20,000—\$ 35,000. |
| 7. Buying supervisor                            | \$25,000—\$ 40,000. |
| 8. Director out-of-home media                   | \$25,000—\$ 40,000. |
| 9. Media planner                                | \$12,000—\$ 30,000. |
| 10. Media buyer                                 | \$12,000—\$ 25,000. |
| 11. Assistant media planner                     | \$10,000—\$ 13,000. |

### MEDIA RESEARCH

|                                               |                     |
|-----------------------------------------------|---------------------|
| 1. Senior vp-director                         | \$50,000—\$ 75,000. |
| 2. Associate director of research information | \$28,000—\$ 50,000. |
| 3. Media research supervisor                  | \$22,000—\$ 30,000. |

### BROADCAST/NETWORK

|                              |                     |
|------------------------------|---------------------|
| 1. Sr. vp-associate director | \$55,000—\$120,000. |
| 2. Vp-associate director     | \$45,000—\$ 80,000. |
| 3. Vp-program director       | \$32,500—\$ 60,000. |
| 4. Account executive         | \$25,000—\$ 40,000. |
| 5. Syndication specialist    | \$25,000—\$ 55,000. |
| 6. Broadcast assistant       | \$12,000—\$ 16,000. |
| 7. Staff assistant           | \$10,000—\$ 13,000. |

### COMPUTER APPLICATIONS (MEDIA)

|                                 |                     |
|---------------------------------|---------------------|
| 1. Director                     | \$40,000—\$ 70,000. |
| 2. Program & systems supervisor | \$25,000—\$ 40,000. |
| 3. Programmer                   | \$18,000—\$ 25,000. |

Compensation package applicable to some degree to those at vp title and above

|                                         |                        |
|-----------------------------------------|------------------------|
| Package includes: Deferred compensation | \$ 5,000. to \$15,000. |
| Management bonus                        | \$12,000. to \$45,000. |
| Stock options                           | 100 to 2,000 shares    |
| Restricted stock                        | 100 to 1,000 shares    |

Other possible benefits: Company car (usually new car every two years). Club dues, assessments, and expenses fully paid. All medical and dental bills 100% reimbursed. Company paid financial advisory service. Savings Plan (Company normally contributes 20¢ to 50¢ for every \$1.00 invested, plus interest).

### Major corporations

### JOB TITLES

|                                |                      |
|--------------------------------|----------------------|
| 1. Vp-marketing services       | \$55,000.—\$150,000. |
| 2. Vp-advertising services     | \$40,000.—\$100,000. |
| 3. Vp-corporate communications | \$50,000.—\$ 80,000. |
| 4. Media director              | \$40,000.—\$100,000. |
| 5. Associate media manager     | \$30,000.—\$ 50,000. |
| 6. Network negotiator          | \$30,000.—\$ 50,000. |
| 7. Manager, spot buying        | \$20,000.—\$ 40,000. |
| 8. Media planner/buyer         | \$14,000.—\$ 25,000. |

Compensation package applicable to those at vp title and above

Package includes: Bonus (0 to 20% at all levels). Deferred compensation (discretionary). Management bonus (discretionary). Stock options (discretionary).

Other benefits: Tuition refund (depending upon corporation).

\* Agency figures are from 1,537 executives at 40 advertising agencies, most of them in New York. The advertiser information is based on 527 executives at 75 consumer products and service companies. Salaries vary by city and company and not all employers give bonuses to their employees.

Source: 1983 Survey by Jimmy Sulsman

Continued on page 144

Neither headlines nor copy is short. Four-color photographs of the luxury exteriors crown each page.

Copy follows the old mail-order technique of being very specific, fact-packed.

For example, "The 318i engine is modified by a new L-Jetronic system that delivers even greater quickness and torque. Its gearbox has been refined to match the greater torque, while retaining the characteristic precision that has inspired comparisons to fine timepieces . . . "Every ad winds up with a pitch to visit the showroom.

The change in 1984 copy will be a subtle advance from just selling performance to the broader concept of luxury: "The car is not just faster than anybody else's; you also get good handling and luxury."

Among the extras offered is the opportunity to pick up the new car on a trip to Europe, drive it around Europe after a visit to the BMW factory and museum in Munich, and then have it converted to meet U.S. standards and shipped to the U.S. This can save up to \$4,000 — and as promotional literature points out — creates the opportunity for a free tour of the continent.

Currently, BMW is not seeking any large expansion of dealers in the United States. But it is doing whatever it can to develop greater activity on the part of the dealers it now has in place.

This includes an expanding array of showroom promotional materials and advertising materials for dealers to place in local media. This is not on a co-op basis, but BMW does provide most of the materials at no cost or below cost.

The BMW success appears to be based on basic marketing and advertising strategy in behalf of a quality product. It is spending more per car for advertising than most of its competitors. It is concentrating on advertising at very specific target markets — both geographically and demographically. And it is moving up rapidly in share of a rarified marketplace.

*Carroll Swan*

question the expense of recruiting MBAs. So the media department becomes an excellent training ground for those willing to spend two years in media before moving to account management.

How are these lower level account management spots usually filled? Either with MBAs, as I mentioned before, who have been brought into account management training programs. This all means we are losing up to five planners at once to account management — from a single media department. It is not unusual for a personnel manager to call me and say, "we lost five planners today."

The breakdown is usually like this: three are going into account management, one decides to go to Wall Street and try making more money, the other one goes into sales.

How do we go about correcting this situation? This situation has worsened with time. Because low entry-level salaries make newcomers scarce, it is going to create crisis upon crisis. What does all this mean to us today? Well, let's look carefully at the result. Those who have superb skills, come from a fine agency, who have learned to package themselves properly and who have worked on major pieces of business, will always be able to find a spot.

The question is to find the right spot for themselves. This is a question of luck, timing, supply and demand. It is really just as simple as that.

#### **Looking for the media director**

New things have happened in the search for media talent. Today, everybody seems interested in status instead of experience in terms of years spent at an agency. The star system is "it" in the media business.

Agency presidents are looking for those with "pizzazz." It is very difficult to predict what each agency will be looking for, but there is a new standard in general. The person who has stayed in one or two positions for ten

or fifteen years may not be the star these agencies want to present in the current media scene.

It's stardom forever, and that's what seems to count. Credentials just don't seem to be as important as they used to be.

#### **The out of town market place**

What is it like out of town, compared with five years ago? Well, media has certainly spread all over the country. Agencies outside New York are eager to buy good talent. Why might one relocate? It is a question of opportunity and lifestyle. People who are tired of living in a big city and dealing with its paranoia and pressures are those most likely to consider a move from major markets. New York, Chicago, Los Angeles, Washington, Boston, Dallas, Houston, Detroit, Minneapolis — these are the cities that have become hot spots. Clients in all of these marketplaces are willing to pay top dollar for talent.

#### **Corporate focus on agencies**

I have done a survey of major executives in corporations throughout the United States. How do they feel about the departments? What is it that they truly want? The larger clients have really found the creative process to be an important one. But they also want to know how their dollars are being spent. Mid-sized agencies continue to find it difficult to compete with the enormous resources of the larger shops. But in the end, the client wants results, and the results are only going to be measured by how well the media are put to use. The best creative product, regardless of how superb it might be, will never realize its potential unless the media people position it so that the product will move.

We all remember that the name of the game is sales. Results are only gotten by investing in the best talent an agency can afford to buy. When I say that, I mean from the bottom up. So let us begin at the bottom. Let us hope that through the '80's, those agencies dedicated to superior advertising will make their investment in people, in resources, and in training. ■

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**Everybody seems interested in status instead of experience. The star system is 'it.'**

# Advertising on PBS reality or fantasy?

Would a television network that weekly penetrates over one-half of U.S. households and captivates those households for almost three hours of viewing be a good media buy? Public television generated these figures recently, and they came at a time when advertising was being contemplated as a source of additional revenues. However, the possibility of advertising on public television has raised a number of issues — issues which are reviewed in this article along with a look at public television (PTV) as a media buy.



## An Advertising Experiment

Faced with shortages of public funds, Congress in 1982 authorized an experiment whereby individual PTV stations voluntarily ran advertisements in their respective markets. Figure 1 shows the stations involved and the dates when advertising first appeared. The experiment ended June 30, 1983, and reports from the stations were due to be submitted by September 30, 1983, to the Temporary Commission on Alternative Financing for Public Telecommunications. Smaller stations in the experiment collected about 13%

of their budgets via advertising revenues while the larger ones garnered about 5%.

The Public Broadcasting Service (PBS) is a network of approximately 300 PTV stations, and critics of the experiment point out that the ten participating stations should not be seen as constituting a representative sample of the network, thus questioning the

By Dr. Jack E. Forrest, Associate Professor, Marketing, Belmont College, Nashville, TN.



reliability of the results. On the other hand, even though the stations were not randomly selected on an equal probability basis, the data generated by the participant stations can be useful on a judgement basis as case-in-point experiences. Congressional hearings on the whole matter of PTV advertisements are to be conducted in the Spring of 1984, at which time the issues raised promise to be hotly debated.

#### Some advertising issues

Since public television funding has been generated largely from tax revenues in contrast to advertising-generated revenues of commercial television, the use of advertising by PTV stations has been criticized as a departure from traditional funding and an intrusion into the funding "domain" of commercial television (CTV).

As a departure, the practice of advertising by public television does not necessarily mean an abandonment of public funding — advertising can be viewed as an additional source of funds. Nevertheless, the presence of advertising on PTV stations has led some in the industry to conclude that programing would be adversely affected in that advertisers would exert pressure on program directors to cater to larger, less discriminating audiences by airing such fare as sitcoms and game shows.

Opponents to PTV advertisements have also pointed out there is the potential that PTV advertisers would want to transform PTV into another commercial network. The result would be one of enhancing PTV programing, not diluting it, and advertisers would be able to deal with selective audiences heretofore thought to be impractical to reach through commercial means.

Tentative results from the experiment indicate little adverse public reaction developed over the advertising.

As an intrusion into the "domain" of commercial television, some CTV observers have been critical of PTV advertising as unfair competition. With public television receiving public funding, advertising rates of PTV stations can be lower than those of CTV stations thus forcing tax-paying commercial stations to compete unequally.

However, there seems to be very little duplication of PTV/CTV audiences so that direct competition is unlikely. Some commercial stations have generously provided promotional assistance to public stations in such forms as public service announcements and furnishing personalities for fund-raising activities. These are hardly the acts of direct competitors.

Only moderate levels of advertising revenues are likely to be generated by PTV particularly if self-imposed limitations are placed on advertising placements. Restrictions on the number of spots and types of advertising accepted were part of the experiment and would be determined by each PTV station.

On balance, it appears that many advertisers would expand their promotion budgets to access upbeat PTV audiences, maintaining their current levels of CTV reach and frequency. Moreover, firms which in the past have been hesitant about using advertising at all may now find PTV to be a medium which closely reflects an image they prefer to project. Professional services like dentists, lawyers, physicians, and accountants could have in PTV an opportunity to communicate messages not well suited for commercial media. If the medium is the message, PTV certainly says something different.

**Figure 1**

**Public Television Stations Volunteering —  
For An Advertising Enhanced Underwriting Experiment**

| PTV Station | City         | 1982 Starting Date |
|-------------|--------------|--------------------|
| WYES        | New Orleans  | March 26           |
| KCSM        | San Mateo    | May 21             |
| WPBT        | Miami        | May 24             |
| WHYY        | Philadelphia | June 1             |
| WIPB        | Muncie       | June 2             |
| WTTW        | Chicago      | June 14            |
| WQED        | Pittsburgh   | August 17          |
| WQLN        | Erie         | September 9        |
| WNET        | New York     | November 21        |
| WSKG        | Binghamton   | (No Start)         |

Source: Temporary Commission on Alternative Financing for Public Telecommunications

Some technical matters must be settled if PTV is to furnish advertising time. Such matters include clarifying the tax status of revenues, the purchase price of syndicated research data, copyrights, and union contracts. The technical matters and controversial issues notwithstanding, it is anticipated that Congress will authorize the placement of advertisements on public television leaving it to individual stations to decide whether to do so.

**Figure 2**  
**Nielsen Ratings and  
Audience Shares for Selected  
WYES, New Orleans,  
Programs  
February 1983**

| Program                        | Rating (%) | Share (%) |
|--------------------------------|------------|-----------|
| Nova                           | 5          | 9         |
| Frontline                      | 3          | 4         |
| Life on Earth                  | 4          | 6         |
| Thursday movies                | 2          | 4         |
| Wall Street Week               | 3          | 4         |
| Saturday Night<br>Comedy Strip | 5          | 10        |

Source: WYES-TV 12, New Orleans

**Figure 3**  
**Monthly PBS Penetration Into Demographic Groups**  
**April 1983**

|                         | Full Day |      |          | Prime Time |      |          |
|-------------------------|----------|------|----------|------------|------|----------|
|                         | 1982     | 1983 | % Change | 1982       | 1983 | % Change |
| <b>Composite</b>        | 44.2     | 52.6 | +19      | 26.6       | 28.8 | + 8      |
| <b>Race</b>             |          |      |          |            |      |          |
| White                   | 46.2     | 54.5 | +18      | 29.4       | 30.8 | + 5      |
| Non-White               | 33.1     | 41.6 | +26      | 11.0       | 17.2 | +56      |
| <b>Children</b>         |          |      |          |            |      |          |
| None                    | 39.5     | 46.7 | +18      | 27.6       | 31.1 | +13      |
| Any                     | 51.3     | 61.7 | +20      | 25.0       | 25.2 | + 1      |
| Any 12-17               | 47.5     | 62.0 | +31      | 28.5       | 27.5 | - 4      |
| Any 6-11                | 55.8     | 62.1 | +11      | 27.4       | 21.2 | -23      |
| Any less than 6         | 55.6     | 64.3 | +16      | 22.3       | 24.3 | + 9      |
| <b>Education</b>        |          |      |          |            |      |          |
| Fewer than 4 Years H.S. | 40.7     | 46.6 | +14      | 20.0       | 22.2 | +11      |
| 4 Years High School     | 44.5     | 50.3 | +13      | 27.1       | 25.3 | - 7      |
| 1-3 Years College       | 42.2     | 56.4 | +34      | 26.4       | 32.8 | +24      |
| 4+ Years College        | 50.8     | 62.7 | +23      | 36.4       | 41.8 | +15      |
| <b>Occupation</b>       |          |      |          |            |      |          |
| Prof/Owner/Mgr.         | 50.6     | 63.1 | +25      | 32.6       | 37.4 | +15      |
| Clerical & Sales        | 42.5     | 48.5 | +14      | 28.3       | 25.1 | - 3      |
| Skilled & Semi-skilled  | 42.4     | 50.6 | +19      | 21.2       | 21.9 | + 5      |
| Not in Labor Force      | 41.4     | 47.4 | +14      | 27.3       | 31.0 | +14      |
| <b>Income</b>           |          |      |          |            |      |          |
| Less than \$10,000      | 33.5     | 37.5 | +12      | 18.7       | 17.9 | - 4      |
| \$10,000-\$19,999       | 43.3     | 51.5 | +19      | 24.9       | 25.1 | + 1      |
| \$20,000-\$29,999       | 47.8     | 56.8 | +19      | 28.1       | 28.5 | + 1      |
| \$30,000+               | 52.1     | 61.8 | +19      | 34.5       | 40.2 | +17      |
| <b>Age</b>              |          |      |          |            |      |          |
| Less than 35            | 42.7     | 46.5 | + 2      | 21.3       | 18.3 | -14      |
| 35-49                   | 49.5     | 57.4 | + 2      | 29.0       | 31.9 | +10      |
| 50-64                   | NA       | 58.2 | —        | NA         | 36.6 | —        |
| 65+                     | NA       | 49.8 | —        | NA         | 32.5 | —        |
| <b>County Size</b>      |          |      |          |            |      |          |
| A                       | 48.3     | 54.4 | +13      | 29.7       | 34.7 | +17      |
| B                       | 40.0     | 53.4 | +34      | 24.6       | 28.0 | +14      |
| C + D                   | 42.6     | 49.1 | +15      | 24.2       | 21.1 | -13      |
| <b>Cable</b>            |          |      |          |            |      |          |
| Non-Cable               | NA       | 46.6 | —        | NA         | 25.5 | —        |
| Pay Cable               | NA       | 67.9 | —        | NA         | 36.2 | —        |
| Basic Cable             | NA       | 59.4 | —        | NA         | 33.8 | —        |

Source: PBS Research, Washington, D.C.

#### A PTV media buy

One thing the advertising experiment seems to reveal is that only a few PTV stations are eager to begin seeking advertisers. Perhaps as many as 30 stations (ten percent) would be in an initial group of stations opting for advertising. It is not likely that advertisements would be carried via satellite to PBS stations so media buyers should not think in terms of network buys. Instead, buyers will deal with individual stations or with a cooperating group of stations accepting advertisements.

During the experiment, WYES in New Orleans sold prime time :30s for \$200 (rotation) and \$400 (fixed). Gross sales in the effort were about \$436,000 from 151 advertisers reaching weekly cume audiences ranging from 45 to 49 percent. Some of the better WYES estimated prime time audience figures reported by Nielsen are shown in Figure 2. The ratings are about the same for both men and women ages 25 to 54.

A media buy for stations like WYES with relatively low audience estimates can be made by emphasizing cume

audiences, scattering a number of advertisements throughout a time period. Some local radio and independent commercial television stations have found success selling time in such a manner. In the few cases where a specific audience is identified with certain programs, a buyer can make placements adjacent to them for a more selective media buy.

Public television stations accepting advertising will need to increase the data available regarding the demographic and psychographic make-up of their respective audiences so buyers

### Gov. PBS Panel against taking ads

The special Temporary Commission on Alternative Financing, voted 10 to 1 against out-and-out advertising on public tv, but left the door open for enhanced on-air credits for program underwriters. The panel recommended that Public TV's use of selective spots as a device to raise funding, should be ended, but called for rule changes that would permit the mention of brand names and corporate or product slogans. The recommendations would also permit institutional pitches, but sales messages would still be barred. The findings of the Congressionally created Commission have been forwarded to Congress. Sources within the commission hope the findings end the impression that advertising would be a panacea for Public Television economic shorts.

can make more informed placements. Such information is generally lacking among PTV stations at present. In the meantime, the national audience estimates based on Nielsen research found in Figure 3 give a general indication of the demographic profile of the PBS network.

While PTV has a respectable following within each demographic category, its upbeat audience is reflected in the penetration levels of Figure 3, particularly in the four-plus years of college, professional/owner/manager occupations, and \$30,000-plus income groups. In fact, Roper Reports describes the upbeat PTV audience as viewers who have:

- Significantly higher exposure to print, cable tv and FM radio.
- Broader personal horizons; more personal communication with others, more hobby and travel activities.
- More contemporary activity.

The PTV viewer is a person a lot of advertisers would be interested in reaching, Roper concludes.

### Looking ahead

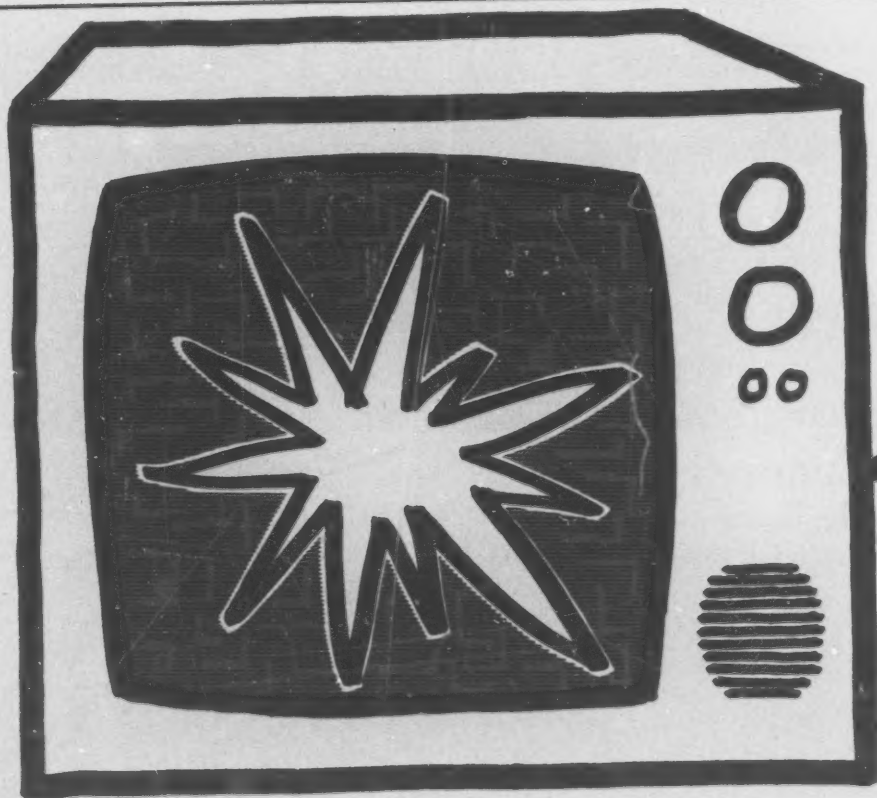
The PTV advertising drama will unfold in Washington D.C., where proponents and opponents will be heard by Congress.

If advertising is approved, adopting stations will have to deal with additional operating expenses associated with sales, billing, and research personnel as well as those pertaining to studio production of advertisements.

Guided by the integrity of the leader within the PTV industry, changes will be gradual with minimal disturbance.

The CTV industry will take a wait-and-see position, seeking in some cases to find areas of mutual interest with PTV where cooperative efforts like joint use of video equipment can be affected.

As one CTV station's general manager indicated, having the PTV camel's competitive nose in the tent is okay initially, but developments will be watched closely. Chances, for fruition of the project, are slim.



## When

These days, many affluent Houstonians are playing a game that you can't win.

Currently, 25% of Houston adults with household incomes





## Auto sales green — so are ads

**Domestic automakers are tempting young, affluent consumers with the promise of improved quality, performance and state-of-the-art technology. But while domestic auto sales increased by 24.0% in the third quarter of 1983, the imports are continuing to make new inroads into the luxury end of the market.**

**A**s new car sales continue to show dramatic gains over last year, auto executives, once a glum and despondent group, are slowly beginning to perk up.

With a 24.0% increase in sales over last year's levels, much of the domestic auto industry's growth is attributed to an overall turnaround in the economy

as well as the returns of an \$80 billion, four-year investment in building new factories and retooling others to reduce production costs.

Although overall advertising expenditures are not increasing dramatically over last year, they are expected to rise at a gradual rate as advertisers

put more emphasis on maintaining their upward momentum and regaining a large share of the market lost to the imports.

Along these lines, advertisers will be placing much of their ad dollars in California, where 10% of the American car market currently resides.

Considered a place where industry trends evolve and then slowly ripple out to the rest of the country, California's auto sales are dominated 50% by imports while nationally imports hold a 27% share of the market.

Although it's rumored that kids growing up in California think that

Toyota is an American car, Lincoln-Mercury, along with a number of other domestic car makers are doing all they can to convince them otherwise.

Notes Chuck Riley, vp group director for L-M at Young and Rubicam, "We're concentrating heavily on the west coast market by emphasizing specific features in different television spots. We even have an 800 number to appeal to those consumers who don't believe we have the kinds of cars they're looking for."

To lure Californians back into the domestic market, automakers are appealing to changing lifestyles by of-

fering two-seater sports cars for upscale singles, van/wagons for active, outdoor enthusiasts and turbo-charged sports cars aimed at the higher performance market.

According to one industry source, domestic car makers are finally beginning to realize that there's a different mind set in California compared to the rest of the country. On the east coast people are defined by what they do, careerwise. But on the west coast, people are characterized by their recreational interests.

To add more fuel to their domestic marketing fires, in California automak-

## Automotive media expenditures, 1982

|                          | Magazines  | Supps    | Net tv     | Spot tv    | Net radio | Outdoor | Spot radio | Newspapers | 8-media total |
|--------------------------|------------|----------|------------|------------|-----------|---------|------------|------------|---------------|
| American Motors Corp.    | \$15,458.3 |          | \$12,753.7 | \$ 6,105.4 |           | \$ 2.8  | \$ 147.3   | \$ 1,308.6 | \$ 35,756.1   |
| Chrysler Corporate       | 852.5      |          | 26,358.2   | 6,580.7    | \$ 812.8  | 42.4    |            | 6,281.1    | 40,927.7      |
| Chrysler                 | 7,812.5    |          | 7,356.6    | 1,003.8    |           | 377.5   |            | 635.9      | 17,186.3      |
| Dodge                    | 9,053.3    |          | 18,167.3   | 6,087.3    |           | 57.7    | 11,997.2   | 1,317.7    | 46,680.5      |
| Plymouth                 | 5,578.4    |          | 9,685.9    | 4,636.6    |           | 141.0   |            | 1,805.7    | 21,847.6      |
| Ford Corporate           | 17,467.6   |          | 24,437.8   | 2,367.3    | 3,581.4   | 10      | 140.1      | 217.7      | 48,221.9      |
| Ford Division            | 19,952.3   |          | 50,978.0   | 4,027.3    |           | 733.2   | 20,473.9   | 13,441.2   | 109,605.9     |
| Lincoln-Mercury          | 8,641.7    | \$ 888.8 | 28,302.9   | 11,481.1   | 1,270.4   | 32.4    | 1,162.7    | 2,841.4    | 53,822.4      |
| General Motors Corporate | 9,270.1    | 1,457.6  | 9,067.2    | 11.5       | 438.3     | 5.3     |            | 51.2       | 20,301.2      |
| Buick                    | 8,217.1    | 105.6    | 13,763.0   | 2,028      | 2,892.6   | 540.3   | 248.9      | 522.2      | 28,317.7      |
| Cadillac                 | 5,123.1    | 46.2     | 6,992.3    | 2,581.4    |           | 548.9   | 688.9      | 827.3      | 16,809.1      |
| Chevrolet                | 22,099     |          | 57,095.2   | 2,835.8    | 326.5     | 3,120.3 | 13,957.8   | 2,202.4    | 101,637.0     |
| Oldsmobile               | 10,740.1   |          | 9,631.5    | 8,199      | 496.1     | 75.6    | 3,998.6    | 6,013.2    | 39,154.1      |
| Pontiac                  | 10,240.1   |          | 18,849.6   | 8,987      |           | 80.2    |            | 823.7      |               |
| Honda                    | 8,845.6    | 236.4    | 12,897.7   | 1,205.9    | 1,238.9   | 203.5   | 1,698.7    | 1,151.0    | 26,863.4      |
| Nissan                   | 10,822.8   | 282.2    | 16,920.5   | 20,169.2   |           | 730.2   | 11,382.6   | 3,991.0    | 39,310.5      |
| Toyota                   | 8,535.7    |          | 15,671.7   | 30,152.4   | 90.3      | 1,589.9 | 3,622.6    | 11,252.6   | 70,924.2      |
| Volkswagen               | 25,619.9   | 126.6    | 21,684.9   | 16,700.2   |           | 53.2    | 2,104.4    | 1,404.1    | 67,733.3      |

\* Eight media totals are compiled from factory expenditures recorded in 1982. Leading National Advertisers (magazines, supps, network tv, spot tv, network radio, outdoor), Radio Expenditure Reports (spot radio) and Media Records (newspapers).



**WAGONEER FROM JEEP** is at home on the ranch. Copy addresses ability of the versatile vehicle to "master any terrain."



**JOE CAPPY**, vp, marketing group, American Motors Corporation: advertising Renault as a brand name.



**SAFE ON ANY SURFACE:** The Grand Wagoneer covers any surface that water doesn't, Compton copy reads for this vehicle.

ers are also offering consumers sweeter option packages not available in the rest of the country.

Chrysler offers AM/FM radios, power steering, tinted windows, wheel covers and air conditioning for \$125 to \$375 under the retail price. Ford tempts potential customers with a five-speed transmission option on its Ranger light pickup at no extra charge, an estimated \$226 saving.

Instead of launching their counter offensive from Detroit, a number of domestic auto makers have set up design studios and marketing offices on the west coast — a step that their Japanese competitors took some years ago.

Although domestics have stepped up their marketing efforts both on the west coast and nationally, it remains questionable whether they will be able to win back a large chunk of the American car market lost to the imports.

Says Joe Opre, director of advertising, Nissan, "The domestics are definitely establishing a marketing offensive out here. Whether it is biting into our market share is hard to say. We're doubtful that they could do it overnight."

Also at issue are the quota restraints placed on the imports for the coming year. While most of the domestic automakers are pressing Washington to hold the import quota level at

1,680,000 units, General Motors wants the quota upped to 2 million units so that it will be able to import Isuzu and Suzuki subcompacts.

#### American Motors Corporation

Building on the success of the jointly produced Alliance sedan, American Motors Corporation and Renault are going after a repeat performance with the Encore, a sporty hatchback.

Introduced in early September, the advertising campaign for the Encore's launch is expected to exceed last year's \$10 million kickoff for the Alliance.

Targeted to consumers as an affordable, European styled car, roughly 75% of the Encore's advertising campaign is slated for television with the remainder in print.

To emphasize the car's versatility in handling performance and fuel efficiency, commercials produced by George Lucas under the supervision of Grey Advertising show the car magically bend, shrink and then expand.

To get more mileage out of Renault's positive consumer image, the French car company's name appears across the television screen in large let-

ters with a tagline: Renault. The One to Watch.

In the Encore's print campaign, the Renault name is once again emphasized in large, bold face type.

Explains Joseph Cappy, vp, marketing group for AMC, "Our strategy is to advertise Renault as a brand name."

In addition to the Encore and a continued advertising emphasis on the Alliance, AMC is placing a large percentage of its budget on the Cherokee and Wagoneer jeeps.

The Cherokee is targeted to outdoor sports enthusiasts, 30-35, while the Wagoneer is aimed at people who are interested in station wagons but want improved fuel efficiency and extra comfort.

#### Chrysler Corporation

With Chrysler Corporation's financial woes behind it, the company is now striving to change its image from a conservative car maker to a state-of-the-art trendsetter.

To reach younger, yet affluent buyers, Chrysler compares its new Laser sports car with the Porsche 944. The

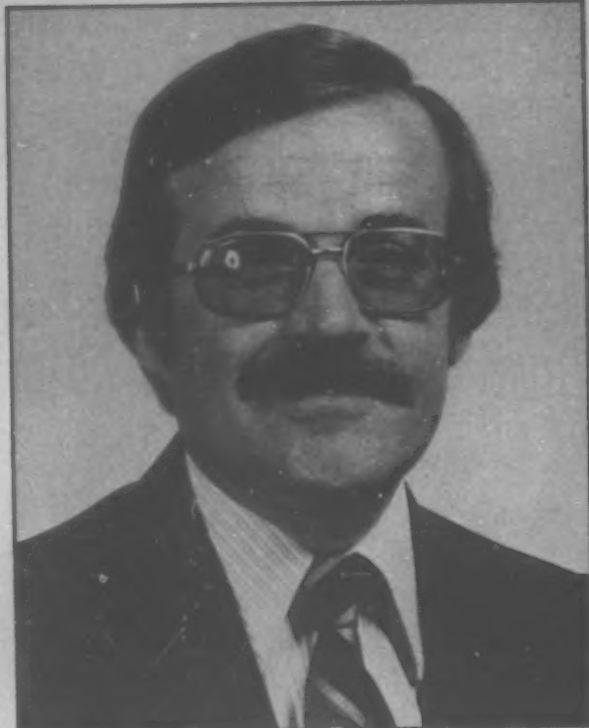
64

Our strategy is to advertise Renault as a brand name





Nissan plays up luxury, technology and performance in ads for Maxima aimed at upscale, import purchasers.



Fuel efficiency is no longer an issue that's top-of-mind with consumers, according to Joe Opre, director of advertising, Nissan.

## Sunshine. Everybody loves the all-new, exciting Sunday magazine in the Fort Lauderdale News/Sun-Sentinel.

### SUNSHINE Magazine Shines On:

- Florida's Fastest Growing Market—Fort Lauderdale
- Florida's Best Retail Market—Fort Lauderdale
- Great Newspaper Coverage
- Great 4-Color Reproduction



Fort Lauderdale News/Sun-Sentinel. Represented nationally by Metropolitan Sunday Newspapers, Inc., C.W.O. & O. Inc. In Florida by Publishers Representatives of Florida.

Lasers print campaign includes gate-folds in newsweeklies and enthusiast magazines and five-color spreads in 17 other publications.

A heavy network television campaign calls attention to America's first front-wheel drive sports car.

Ricardo Montalban will once again be the spokesman for the Chrysler New Yorker, E Class and Le Baron cars on network tv and print for national as well as regional coverage.

To change Dodge's image from stodgy to contemporary, the company has launched a new "American Revolution" advertising campaign for its '84 model cars, the turbo-charged Daytona sports car and the Caravan wagon.

Notes Joseph Cronin, Dodge advertising manager, "We had to make a quantum leap in terms of the demographics we were appealing to and the kind of cars we were putting out."

"Our present goal is to reach a younger demographic. To accomplish this we've changed our media strategy by assigning different roles to television and print."

The key behind Dodge's media philosophy both in broadcast and print is not only to provide diversity of me-

# SUPER SUPER SUPER

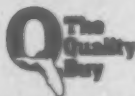
## A SUPER Newspaper in a SUPER Market THE TAMPA TRIBUNE

Reach more  
Sales  
Producing  
Prospects  
With  
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QUALITY BUY...

Find out why The Tampa Tribune is the quality buy in the Tampa Bay market. Just send us your business card and we'll mail you our latest market brief, "The Quality Buy."

Contact:  
Byron Taggart, General Advertising Mgr. c/o  
The Tampa Tribune P.O. Box 191 Tampa, FL  
33601 (813) 272-7447

THE  
TAMPA TRIBUNE  
Morning and Sunday



Represented by Sawyer Ferguson Walker  
Source: SBMM, Survey of Buying Power,  
July, 1982

Site of the 1984  
SUPER  
BOWL!

diums but to create impact and awareness. Dodge purchases billboard positions on television movies and specials. And although this year the company shortened its list of magazines, Cronin notes that Dodge has increased its overall number of advertising pages to create added impact.

The "American Revolution" campaign will be BBDO's first efforts for Dodge since the switch from Kenyon & Eckhardt last January.

In addition to television and magazines, Dodge also purchases spot and network radio and has dealer association ads in newspapers.

The Plymouth "Match It! (If You Can)" campaign plays up the company's 5-year/50,000 mile warranty and emphasizes price, mileage and durability for its continuing 1984 nameplates including the Reliant, Horizon and Turismo 2.2. The all-new Plymouth Voyager is expected to be launched late this year.

### Ford

After accumulating \$3.2 billion in losses from 1980-82, the number two domestic automaker is back on the road to recovery. After several of its models went on sale earlier this year, Ford's market share increased to 17.3 percent in June, July and August, up from 16.2 percent in the beginning of the year.

Similar to other domestic automakers Ford is appealing to younger, more affluent buyers by redesigning the look

of its cars and placing greater emphasis on aerodynamics. The company is also calling consumers' attention to the results of an independent survey of owner-reported problems that found that Ford makes the best-built American car.

New from Ford this year are the redesigned Thunderbird, Cougar, Tempo and Topaz. Features emphasized in all of Ford's models are electronics, aerodynamics and quality.

While the Topaz is targeted to the upscale end of the younger family market, the Cougar appeals to aggressive car enthusiasts. Both are advertised in network tv and cable to reach a predominantly male audience.

The new Mark VII at Lincoln-Mercury is also aimed at automotive enthusiasts and is heavily advertised in buff books.

### General Motors

In an increased effort to establish a more distinct product identity for each of its divisions, General Motors has changed both the design of its cars as well their media positioning.

Chevrolet, now aimed at the low end of the market, is placing most of its ad dollars behind the Celebrity, Cavalier and Camaro.

To support its 1984 cars, Chevrolet is making major tv sports purchases including 43 World Series spots, the largest single sponsorship of the Super Bowl, exclusive auto sponsorship of

### Ford Escort Diesel: Better mileage than this leading import.



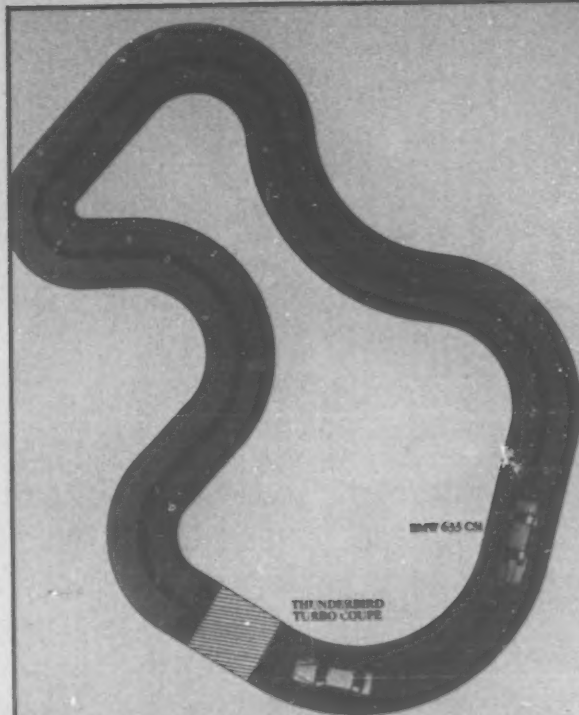
**MILEAGE:** Ford went right at the Honda 750, saying it is "rated approximately four miles per gallon higher" than the motorbike.



### The new '84 Ford Tempo. Technology never felt so comfortable.



**COMFORT:** goes hand-in-hand with technology, in a Ford, via J. Walter Thompson marketing approach.



On 17 May 1985, the editors of *Car and Driver* magazine found out just how good the Thunderbird Turbo Coupe is. Because that's the day they tested it against the BMW they called their "favorite in the handling category," the 635 CS.

#### The test.

The procedure was simple. On a 1.067 mile closed-handling course both the Turbo Coupe and the BMW were driven as fast as possible. The test consisted of 18 laps and the car with the fastest average lap time at the end was declared the winner.

And, the winner is...

The Thunderbird Turbo Coupe.



responded by clinging firmly to the road. The Turbo Coupe's cornering attitude remained remarkably level, even through the long sweeping corners thanks to its anti-sway bars, gas-filled front struts and four rear shocks. And, the quick ratio power rack and pinion steering's nimble response was clearly evident in the exits and hairpins.

The deeper meaning.

The Thunderbird Turbo Coupe is a sophisticated world-class touring car. One that can hold its own against the best the world has to offer.

from Ford. That's right. The Turbo Coupe beat the BMW 635 CS by an average of 1.0 second per lap.

Just through this comparison.

From the tires to the suspension to the steering, the Thunderbird Turbo Coupe was designed to perform through the twists and turns. The test drivers flung the Turbo Coupe through the corners of the course, and the Goodyear Eagle F1R performance radials

Quick out of them.

One of the wonderful things about the Turbo Coupe, as our writers discovered, is that when you put your foot to the floor, the Turbo Coupe's 2.3 liter turbo-charged four was specifically designed for quick throttle response, even at low revs. The Borg-Warner

4R, except in one area price. Because the Turbo Coupe is less than half the price of the BMW, but, that was a race we secretly intended in winning.

There are no questions of comparability suggested or implied by the comparison. The car and the engine are not comparable.

Have you driven a Ford... lately?

Get it together. Buckle up.

## Thunderbird adds a twist to the old adage: First you join them. Then you beat them.

PERFORMANCE AND DESIGN are the two staples that Ford, via J. Walter Thompson, is emphasizing in the Thunderbird. No longer merely a luxury symbol, Ford emphasizes engineering, design and ability to perform on the straightaway or on a winding course.

the Winter Olympics. Chevrolet will also have a heavy presence in the summer Olympic games.

To target to the youth market, Chevrolet advertises on network radio and is looking into purchases on MTV for the fourth quarter.

Although the Citation II will differ from the Citation only in name, the II version is being launched to counter the car's negative image that resulted from a number of brake defects and other safety hazards found in '83 models.

The Citation II's relaunch includes extensive television and magazine advertising.

Pontiac's themeline is "We build excitement."

According to National Advertising Manager Charlene Curry, "About two years ago we decided we wanted Pontiac to be defined as 'a car innovative in styling and engineering.'"

Fueling Pontiac's image as a high performance, innovative car maker is

the new Fiero, a sporty two-seater with Enduroflex body panels that are rustproof and designed to resist minor dents.

Extensive television advertising for the Fiero conveys the car's hi tech image as the car is assembled from scratch and body panels float into place.

Print ads displaying the car on a background grid complement the Fiero's sci-fi commercials.

To reach the Fiero's target audience, 1-2 person upscale households, the company buys time on professional football and other sports programming on network tv, supplemented by spot tv and radio buys in the top thirty markets.

Pontiac also purchases time on ESPN and is looking into MTV to reach young adults.

**We wanted Pontiac to be defined as a car innovative in styling and engineering**

Similar to other automakers looking to increase their impact in print, Pontiac is using 10 fewer magazines than last year, but the overall schedule was upped by 204 pages.

Industry sources estimate that Pontiac's budget was increased 10%, bringing total expenditures to roughly \$55 million.

According to Curry, Pontiac's media mix is 65% broadcast, 35% print.

Unlike Pontiac, Oldsmobile targets to an upscale audience more interested in luxury and styling than supercharged performance.

While the Firenza subcompact is targeted to younger consumers, Oldsmobile's midsize Cutlass line appeals to all age segments according to Oldsmobile advertising manager, P.E. (Butch) Bunker.





The Philadelphia ADI...

## It Won't Fly without THE MORNING CALL

**Unless you can afford to pass by more than \$473 million in automotive sales.**

The Allentown-Bethlehem MSA—it ranks in the top quarter of the country in metro area passenger cars with some 303,000. That's a considerable part of the nation's 4th largest ADI. Only Philadelphia and Pittsburgh have more automotive sales in Pennsylvania. Good advertising to this 4-county gold mine could make auto sales hum. Your problem: effective penetration.

The A-B MSA is fragmented by more than 40 television channels, more than 30 radio stations... and buying Philadelphia dailies gives you a reach of no more than 2%.

Only The Morning Call can make it fly. With 66% combined coverage of all adults, 75% coverage of those making \$35,000+-. The Morning Call is your most concentrated advertising buy. And with record circulation gains in 1982, plus bonus penetration outside the A-B MSA, advertising in The Morning Call now flies farther than ever. Don't leave this precious piece of the Philadelphia ADI by the side of the road. Roll with The Morning Call.

The Morning Call-Allentown, PA (215) 825-8834  
Represented by Crasner, Woodward, O'Mara & Crasner Inc.



10 GOOD REASONS WHY EAGLE IS WORTH MORE THAN ANY ORDINARY WAGON.

The Eagle station wagon is a great choice for anyone who wants a car that's both practical and stylish. It's a car that's built to last, with a strong frame and a powerful engine. It's a car that's easy to drive, with a smooth ride and a responsive steering. It's a car that's fun to drive, with a sporty look and a powerful performance. It's a car that's worth more than any ordinary wagon.



THE 2-WHEEL/4-WHEEL DRIVE Eagle

**MEASURED PERFORMANCE:** American Motors extolls the virtues of its Eagle stationwagon.

New in this category are the Cutlass Ciera Landau Coupe, the Cutlass Ciera Holiday Coupe and the Cutlass Cruiser Wagon.

Oldsmobile's media plans are custom tailored to specific car lines.

Notes Bunker, "We try to target each car campaign to a special interest group. For a lay technical market, we might advertise in an engineering trade publication."

To reach this group on television, Oldsmobile purchases time on news programming.

In addition to news, prime time is purchased to cover all market segments.

Although cable expenditures were not substantially increased over last year, according to Bunker, Oldsmobile is looking into the possibility of developing a more extensive cable campaign in the future.

Spot radio is purchased for heavy-ups in specific markets.

Although Buick is not launching any new car entries this Fall, the company is expected to be introducing a full-sized luxury car, the Electra, next Spring.

Advertising for Buick's current lineup, which includes the Skyhawk (subcompact), Century (intermediate), LeSabre (full size) and Riviera (luxury specialty car), is on network tv news programming and Monday Night Football.



"We just bought our 4-year old an American Eagle."

THE 2-WHEEL/4-WHEEL DRIVE American Eagle

**THE FAMILY UNIT** is another logical approach for American Motors, via Compton Advertising.

Buick also purchases CBS Radio Network for the World Series and NFL football games and Mutual for NCAA and Notre Dame games. Cable buys include WTBS, CNN and ESPN.

Having lost significant shares of the luxury car market to the imports, Cadillac intends to increase its share of this market by at least 2% this year.

The company's projected sales goal for 1984 is close to its 1978 record of 347,000 cars sold.

Fueling the company's great sales expectations are its replacement models for the DeVille and Fleetwood which received high scores with younger import purchasers.

However, postponement of GM's large, front-wheel drive, C-body cars, which include both of these lines, might make Cadillac's optimistic sales projections less than likely.

Another Cadillac presently on the drawing board is a smaller Cimarron with an optional 2.8 liter, V-6 engine, aimed at an affluent demographic, 25-40.

### Honda

In an effort to create added awareness and impact, Honda is dedicating a different model to each month.

November will be the month for the new Civic CRX, a sporty, two-seater with outstanding fuel efficiency: 51 mpg/city; 67 mpg/highway.

Priced under \$6,000, the CRX is



**ONLY IN A JEEP:** Love of the outdoors combines with the rugged ride of the Jeep. Compton brings lush nature photographs together with the jeep's ability to go places conventional automobiles don't.

expected to gain popularity among women.

Commercials stressing fuel economy, styling and affordability will air on network tv and will be supported by print in a broad range of news-weeklies, consumer magazines, buff books and women's magazines.

According to a media source from Honda's agency, Needham Harper & Steers, the biggest ad dollars are placed behind the best selling cars.

Along these lines, the Accord, Honda's number one seller, will receive a heavy advertising push this year with commercials that not only call atten-

tion to the car but also to the fact that it was made in Honda's Marysville, Ohio plant.

A total of twelve cars will be heavily advertised in each of Honda's three lines which include: the Accord (top of the line luxury cars priced over \$10,000), Prelude (sporty cars, priced in the \$9,000 range) and Civic (fuel efficient economy cars, priced at \$6,000).

According to Leading National Advertisers, Honda increased its total advertising budget from 1981 to 1982 from \$22.2 million to \$26.9 million. While gains were reflected in network radio, magazine expenditures were decreased from \$9.3 million in 1981 to \$8.8 million in 1982.

#### Nissan

The three cars receiving the lions' share of Nissan's advertising dollars are the Nissan Sentra, 300 ZX and 200 SX.

The Sentra is positioned at the low end of Nissan's market and is targeted to college-educated men and women with household incomes in the \$20,000 plus range.

The main features emphasized in network tv, spot tv and magazines are roominess, price, performance and quality.

According to Joe Opre, director of advertising for Nissan, "Although our cars are certainly fuel efficient, we're not emphasizing fuel economy because it's no longer an issue that's top of mind."

## Eight-Sheet Outdoor Sells . . .

Everything from KOOL Jazz to HOT dogs, and the dozens of things in between. AND America's most cost efficient mass medium sells them from coast to coast at an average audited CPM of less than 30-cents.

If you have something to sell, you'd better look into Eights.

Eight-Sheet Outdoor  
Advertising Association, Inc.  
Box 457  
Independence, MO 64051  
816/373-6305

## Eight-Sheet Outdoor

He points out, however, that there is an increased interest in technology. He explains, "Given the computer boom and all of its ramifications, people view technology as the solution to their problems."

Along these lines, Nissan calls attention to the 300 ZX's computer-controlled dash and other technological advancements, in advertising targeted to men with household incomes averaging \$30,000.

Touted as the flagship of the Nissan line, the 300 ZX is the number one selling sports car in the U.S. The ZX is a re-styled version of the 280 ZX with a faster, more powerful V-6 engine.

To reach the 300 ZX target, Nissan's broadcast schedule includes news and sport programming on network tv, spot tv and cable. The 300 ZX magazine schedule includes special interest vertical magazines as well as buff books.

The 200 ZX, a sporty compact that competes head-to-head with the Toyota Celica and the Ford Mustang, is targeted to males with household incomes of \$30,000 and is advertised in a way that is similar to the 300 ZX.

Continuing Nissan's efforts to change its name from Datsun, the company changed its advertising theme for the first time in six years through its agency, William Esty. The "Datsun. We are Driven" theme is being replaced with "Come alive. Come and drive. Major motion from Nissan."

## Toyota

To broaden the Corolla's market, Toyota is now offering both front and rear-wheel versions of the car.

The front-wheel drive model is considered a family-oriented car while the rear-wheel drive is targeted to more active sports and outdoor enthusiasts.

Advertised on network tv as well as in newswEEKlies and consumer magazines, the Corolla's tagline is "It takes a lot of guts to redesign one of the world's most popular cars."

Also new for 1984 is Toyota's Van Wagon. Considered a lifestyle vehicle, the Van Wagon can seat up to seven people and has a removable second row of seats that can also be rolled down into a bed. Options include twin sunroofs, dual air conditioning and an ice maker/cooler.



**BEFORE AND AFTER:** The cooler for the Toyota Van in waiting and in use, fits the image of the driver who likes to sip while he moves smoothly along the highway.

According to Joseph Corey, Toyota advertising programs manager, media, "The Van Wagon is expected to be a popular item everywhere, especially in California."

The Van Wagon is being launched in both broadcast and in print with four-page gatefolds in newswEEKlies, consumer, scientific and special interest vertical magazines.

The broadcast schedule for the Van Wagon includes NFL sports buys on CBS including the Super and College Bowls as well as buys on WTBS, CNN and USA.

Corey explains that Toyota's broadcast buying habits have changed significantly this year. "Instead of buying a very expensive prime time schedule, we're more interested in mini-series adjacencies as well as exclusivity spot buys," he says.

In addition to redesigned versions of the Corolla and Van Wagon, Toyota is offering an all new truck lineup targeted to males 20-39 with household incomes of \$25,000 plus.

## Volkswagen

In an effort to reverse declining sales, "now is the time to advertise heavily," says manager of Volkswagen advertising, Mike Howe.

He notes that VW's fourth quarter ad budget is up substantially over last year's totals.

The cars receiving the biggest media push are the Jetta, Rabbit, Quantum and the GTI, a sporty performance

version of the Rabbit geared to younger, first time Volkswagen purchasers.

A common thread that runs throughout VW's ads that its cars are of German heritage, durable and fun to drive.

"German heritage is being stressed to get the quality ruboff associated with German engineering technology," says Howe.

Roughly 60% of VW's overall advertising expenditures are in network and spot tv and 40% in print.

Having cut production costs significantly, produced more efficient plants and designed cars that reflect the latest developments in styling and technology, domestic automakers can certainly be given a tremendous amount of credit for their efforts to win back a large chunk of the U.S. car market lost to the imports.

However, whether Detroit will be able to convince the American public that it can produce the quality cars they're looking for is yet to be seen.

As imports continue to make new inroads in the U.S., both in the sales of fuel efficient compacts as well as up-scale luxury cars, their market share has nearly doubled from 15.2 in 1970 to 27.8 in 1982.

In addition to Detroit's efforts to regain market share, much will depend on the industry's momentum to not only be as good as Japan, but even better.

*Madeleine Dreyfack*





# Coffee and tea cup runneth under

**Diet Colas and fruit juices seem to be in. The coffee and tea industry is continuing to experience a slight decline. Here is what the companies are doing to improve the picture.**

**A**merica's coffee cup has been growing smaller in the past 20 years.

What was once the traditional get-started beverage for the morning has found its share of the day diminishing.

The decline in coffee consumption since the 1960's coincided with the ma-

turing of the 1960's generation. Among people in their 20's consumption has slipped from 3.4 cups a day 20 years ago, to 1.3 cups today. On average, Americans consumed 40.1 gallons of coffee per capita in 1982.

To some extent, coffee advertisers

contributed to the problem of reduced consumption with copy that implied brewing a good cup of coffee is a chancy proposition, even though a new generation of coffee makers has made the brewing process amazingly simple.

Caffeine is another factor that polarized public opinion about coffee, as decaffeinated coffee ads imply non-decaffeinated coffee induces shaky nerves and a jangled mind. The development of decaffeinated soft drinks has added fuel to that controversy.

Another element in declining consumption is a perceived change in lifestyles. Soft drinks and non-distilled alcoholic beverage advertising incorporated the values of the younger generation in use situation portrayals while coffee ads remained glued in concept to traditional middle class values.

Over the past two decades, coffee has become less and less hip.

Price has also taken its toll of the coffee market. Economic instability in Brazil and other coffee producing nations pushed the price of beans up astronomically, while coffee growers tried to control the crop to avoid disastrous surpluses. The 10¢ cup of coffee has gone the way of the 5¢ cigar.

This year, some action is being taken to reverse the pattern. The International Coffee Organization and the National Coffee Association have pooled their resources to initiate and launch a \$20 million campaign designed to restore public confidence in coffee, and plug its use into contemporary life-style and work values.

Created by Advertising to Women, the campaign uses celebrities to show how they use coffee to enhance their lives. As comedienne Jane Curtin prepares to go on camera, Cicely Tyson rehearses a stage slap and quarterback Ken Anderson diagrams a play, the voice-over declares, "You are the new American society, the movers and the shakers. You are the new coffee generation. Join the coffee achievers." So much for repositioning.

The campaign runs nearly to the end of 1984 in network prime and daytime television.

The question is whether this campaign, in conjunction with the \$200 million coffee marketers spend on their own brands, can reverse the trend away from coffee and the general suspicion about possible adverse effects of caffeine.

Other trends affecting coffee con-

sumption at home include dining out, and at work coffee breaks. Restaurant consumption doesn't help build the consumer marketplace for either ground or instant, nor do take-out sales.

But media expenditures for a shrinking category certainly haven't been declining. Last year, the coffee and tea category accounted for \$237 million in advertising, over \$200 million for coffee, up \$11 million over 1981.

But first quarter expenditures this year suggest the total spending on the coffee-tea category may be on the way down. The total fell from \$50.4 million in 1982 to \$43.6 million. In that quarter, network tv spending dropped \$4.5 million while magazine expenditures climbed \$600,000.

Contributions from major coffee marketers (except Procter & Gamble) to the generic coffee campaign may have cramped their individual budgets.

Recent trends in coffee consumption show sales were off one percent in 1982 from the previous year. Ground coffee staged a slight comeback and has been gradually taking sales away from instant coffee. In 1982, according to A. C. Nielsen data, ground coffee sales totaled 1.09 billion pounds, and

## Leading advertisers' dollars by media

| Coffee                     | Mags     | Supps   | Net tv     | Spot tv    | Net radio | Outdoor | Newspaper | Spot radio | Total      |
|----------------------------|----------|---------|------------|------------|-----------|---------|-----------|------------|------------|
| Hills Bros. (Coper sugar)  |          |         |            | \$ 5,040.7 |           |         | \$ 247.1  |            | \$ 5,287.8 |
| Brim (General Foods)       | \$ 383.9 | \$227.6 | \$13,732.9 | 4,071.2    |           |         | 97.5      | \$ 225.4   | 18,738.5   |
| International Instant (GF) | 1,957.7  |         | 8,325.0    | 2,000.3    |           |         | 51.7      |            | 29,954.0   |
| Maxwell House (GF)         | 2,772.5  | 815.3   | 31,952.9   | 13,731.4   | \$4,470.2 |         | 1,187.9   | 2,292.4    | 57,222.6   |
| Maxim (GF)                 |          |         |            | 5,644.8    |           |         | 36.0      |            | 5,680.8    |
| Sanka (GF)                 | 920.4    | 218.0   | 21,413.5   | 4,592.3    | 1,879.7   |         | 655.4     | 142.1      | 29,821.4   |
| MJG                        | 91.2     |         | 273.4      | 1,665.7    |           |         | 281.5     | 2.8        | 2,319.6    |
| Nescafe (Nestle)           |          |         |            | 2,925.8    |           |         | 670.0     | 3.7        | 3,599.7    |
| Taster's Choice (Nestle)   | 33.8     |         | 17,575.2   | 2,616.5    |           |         | 1,112.9   |            | 21,338.4   |
| Folgers (P&G)              |          |         | 16,595.3   | 10,778.7   |           |         | 145.0     | 132.3      | 27,651.3   |
| High Point (P&G)           |          |         | 9,475.5    | 2,785.1    |           |         | 178.2     |            | 12,438.8   |
| <b>Tea</b>                 |          |         |            |            |           |         |           |            |            |
| Lipton (Lever)             | 3,351.6  | 1.4     | 5,585.8    | 5,334.1    |           | \$65.3  | 319       | 13.7       | 14,670.9   |
| Nestea (Nestle)            |          |         | 7,196.9    | 2,879.1    |           |         | 193.5     | 81.9       | 10,351.4   |
| Bigelow                    | 854      |         |            | 42.2       |           |         | 80.1      |            | 976.8      |
| Tetley (Allied Young)      |          |         |            | 466.1      |           |         | 207.4     |            | 673.5      |
| Celestial Seasonings       | 652.4    |         |            |            |           |         |           |            | 652.4      |

OVER 2 VARIANTS OF  
Irish Mocha Mint

General Foods  
INTERNATIONAL COFFEES  
*Irish Mocha Mint*  
IRISH STYLE INSTANT COFFEE BEVERAGE

Celebrate the moments of your life with General Foods' International Coffees.

General Foods' International Coffees, ranging in flavor from Irish Mocha Mist to Viennese, tend to be consumed as a substitute for a sweet snack.

instant, 670 million pounds. But contradictory data from the National Coffee Assn. shows ground coffee sales are down.

The consumer marketplace is dominated by three package good companies: General Foods, Nestle and Procter & Gamble. General Foods has six brands on the supermarket shelves, Brim, International Instant, Maxwell House, Mellow Roast, Sanka and Yuban; Nestle has three, Nescafe, Sunrise and Taster's Choice. Procter & Gamble entered the market over a decade ago with the purchase of Folgers, and added one brand of its own creation, High Point.

General Foods is the biggest spender of the lot, investing over \$100 million in Leading National Advertisers six measured media, as compared with about \$50 million for Procter & Gamble, and \$35 million for Nestle.

As an industry, coffee has maintained a steady sales to advertising in the four cents per sales dollar range, standing at 4.0 in 1980, 4.5 in 1982, and 4.2 in 1983, according to Nielsen.

### General Foods

The biggest mass marketer of coffee, General Foods spends at a rate that more than doubles what its major competition invests. And as can be expected, most of that money is spent in network and spot television.

But in addition to being the dominant media spender, General Foods is the most diversified spender as well. Last year GF spent over \$6 million for its coffee products in magazines, \$2.7 million in spot radio, and \$6.2 million in network radio. These are small amounts in comparison to what is spent in television, but large in comparison to what other coffee marketers are spending in magazines and radio.

General Foods tends to segment the market by age group and life style. Maxwell House is GF's most main stream product, according to Stephen Morris, vp, general manager, Maxwell House division. Radio is used to reach a younger segment as well as to supplement the basic television buy.

Creative for Maxwell House was recently changed to a softer sell ap-

NOW! A CHANGE OF TASTE THAT'S...

# Exciting!



SAVE 15¢

LIPTON TEA WITH NATURAL FLAVORS

Lipton is the largest advertiser in the tea category, venturing into all media except network radio in 1982, with creative based on the celeb presenter.

proach, featuring a photographer and his dog. The strategy has remained consistent, but an effort is being made to reach a broader demographic than in the past. In media, contemporary format stations are being added to the previous radio market buy.

Sanka, GF's long term decaffeinated brand, is positioned mainly against older coffee drinkers. Print, used to supplement tv, reaches the older target demographic with such magazines as *Modern Maturity*.

Brim, the other decaffeinated brand, is positioned against a younger demographic.

GF's International flavored coffees skew younger, and tend to be used as a substitute for a sweet snack and are in a different consumption frame than other forms of coffee.

Morris' view of the current coffee market is optimistic. Consumer attitudes are positive, partially due to price drops. He also sees an upsurge for ground coffees, as popular taste is shifting away from convenience products and back toward flavor. He also



# GROUND COFFEE

Base: Female homemakers (76,631,000)

|                             | All   |      | Unwgt | Share of users | Share of Volume | Volume/ users index |
|-----------------------------|-------|------|-------|----------------|-----------------|---------------------|
|                             | 000   | %    |       |                |                 |                     |
| Total used in last 6 months | 47671 | 62.2 | 6071  |                |                 |                     |
| Brands:                     |       |      |       |                |                 |                     |
| A&P 8 O'Clock (Regular)     | 1876  | 2.4  | 247   | 2.4            | 2.7             | 113                 |
| A&P 8'Clock (Decaffeinated) | 319   | .4   | 46    | .4             | .2              | 50                  |
| Other A&P (Regular)         | 232   | .3   | 25    | .3             | .1              | 33                  |
| Other A&P (Decaffeinated)   | 173   | .2   | 22    | .2             | .2              | 100                 |
| Brim                        | 4936  | 6.4  | 692   | 6.3            | 5.0             | 79                  |
| Brown Gold                  | 178   | .2   | 32    | .2             | .2              | 100                 |
| Butternut                   | 1313  | 1.7  | 137   | 1.7            | 2.0             | 118                 |
| Chase & Sanborn             | 1053  | 1.4  | 133   | 1.3            | .6              | 46                  |
| Chock Full O'Nuts (Regular) | 2946  | 3.8  | 452   | 3.7            | 3.3             | 89                  |
| Chock Full O'Nuts (Decaff.) | 475   | .6   | 80    | .6             | .4              | 67                  |
| Edwards                     | 629   | .8   | 81    | .8             | .9              | 113                 |
| Folgers Flaked              | 6907  | 9.0  | 776   | 8.8            | 8.7             | 99                  |
| Folgers (Vacuum)            | 10812 | 14.1 | 1272  | 13.7           | 16.7            | 122                 |
| Happy Medium                | 16    | —    | 2     | —              | —               | —                   |
| High Point                  | 1641  | 2.1  | 169   | 2.1            | 1.0             | 48                  |
| High Yield                  | 321   | .4   | 52    | .4             | .4              | 100                 |
| Hills Bros. (Regular)       | 4915  | 6.4  | 735   | 6.2            | 6.4             | 103                 |
| Hills Bros. (Decaffeinated) | 843   | 1.1  | 117   | 1.1            | 1.3             | 118                 |
| Luzianne                    | 575   | .8   | 60    | .7             | .5              | 71                  |
| Manor House (Regular)       | 215   | .3   | 49    | .3             | .2              | 67                  |
| Manor House (Decaffeinated) | 59    | .1   | 12    | .1             | —               | —                   |
| Martinson                   | 872   | 1.1  | 132   | 1.1            | .8              | 73                  |
| Maryland Club               | 749   | 1.0  | 71    | .9             | .6              | 67                  |
| Max-Pax                     | 234   | .3   | 24    | .3             | .1              | 33                  |
| Maxwell House ADC           | 8973  | 11.7 | 1190  | 11.4           | 12.6            | 111                 |
| Other Maxwell House         | 8436  | 11.0 | 1034  | 10.7           | 10.8            | 101                 |
| Medaglia D'Oro              | 292   | .4   | 63    | .4             | .2              | 50                  |
| Melitta (Regular)           | 220   | .3   | 35    | .3             | .1              | 33                  |
| Mellow Roast                | 540   | .7   | 64    | .7             | .6              | 86                  |
| Mr. Automatic               | 158   | .2   | 22    | .2             | .2              | 100                 |
| MJB                         | 1732  | 2.3  | 210   | 2.2            | 2.5             | 114                 |
| Sabro (Regular)             | 8     | —    | 1     | —              | —               | —                   |
| Sabro (Decaffeinated)       | 52    | .1   | 10    | .1             | .1              | 100                 |
| Sanka                       | 6622  | 8.6  | 860   | 8.4            | 6.4             | 76                  |
| Savarin (Regular)           | 891   | 1.2  | 144   | 1.1            | .9              | 82                  |
| Savarin (Decaffeinated)     | 219   | .3   | 39    | .3             | .3              | 100                 |
| Stewarts (Regular)          | 121   | .2   | 23    | .2             | .1              | 50                  |
| Stewarts (Decaffeinated)    | 37    | —    | 12    | —              | —               | —                   |
| Generic (No label)          | 819   | 1.1  | 102   | 1.0            | 1.0             | 100                 |
| Store's own brand           | 2916  | 3.8  | 367   | 3.7            | 5.1             | 138                 |
| Maxwell House Master Blend  | 5605  | 7.3  | 338   |                |                 |                     |
| Other                       | 3305  | 4.3  | 447   | 4.2            | 5.9             | 140                 |

Source: Mediarm Research Inc., Spring 1983

sees a strong opportunity for new products because attitudes toward coffee are more positive and the current tenor of advertising is to present coffee and its preparation in a more positive frame. "The feeling about the climate for coffee products is as good as it's been in a long time," Morris said.

The strongest growth segment in the industry at present, Morris said, is ground decaffeinated coffee.

## Procter & Gamble

With two coffee brands, Folgers and High Point, P&G is the weakest of the big three in the coffee business, but in the long run, may prove to be the most formidable.

Most of the \$40 million that P&G spends in media on these two brands goes into television. Less than a million nationally goes into newspapers, but the package foods giant does em-

ploy free standing inserts to deliver its message and cents-off coupons in print.

For the Folgers brand, P&G continues to use Mrs. Olson, who dispenses motherly advice about the virtues of being able to brew a good cup of coffee. Copy points for the brand, according to a P&G spokesman, are flavor and aroma.

The theme is being embellished this

year, as coffee is introduced into a cooking setting in the kitchen, once again, with Mrs. Olsen dispensing her sage advice. But P&G also has a recently released commercial in that cooking setting without Mrs. Olsen.

In a regional move, restricted to the southeast, P&G is introducing a new vacuum-packed bag package of ground coffee. Advertising for this improvement on the traditional paper bag, stresses the features of freshness, convenience and price. The bagged version sells for about 10¢ less at the retail level. There are no present plans to bring the bagged version north or west.

P&G's other brand, High Point, available nationally in instant form, is now in test in ground form in a limited number of markets. Lauren Bacall continues to be the spokesperson/presenter for the brand, stressing the copy points of aroma and flavor.

Next month, P&G rolls out a food service version of High Point to challenge General Foods pre-eminence in this section of the market. Contrary to expectations, P&G is using magazines in the November introduction with a schedule that includes *Readers' Digest*, *People* and *Modern Maturity*, plus food service trade publications.

## Tea

Tea, like coffee, has been contending with a weakening sales picture in the past decade, as total consumption remains in the area of 155 million pounds annually. Since 1977, pounds sold are down three percent. Retail sales dollars, on the other hand, are up 23% to \$803 million.

The sales loss is attributed to a weakening of the ice tea mix segment, instant and packaged tea, which was not compensated for by increased tea bag sales.

Currently, tea bags account for 58% of sales, instant tea, 21.1%, iced tea mix, 16.6%, and loose tea, 4.3%.

Advertising for tea fell to its lowest levels in this decade last year, as marketers invested \$17.8 million, according to the National Tea Association, as compared with \$20.5 million in 1981, and \$21.4 million in 1980. The advertising to sales ratio last year came to 2.2¢ on the dollar, as compared to 2.8¢ in 1980, according to U.S. Tea Association data.

Major brands in the tea market, from the advertising point of view, are Lipton, spending \$14.7 million, and Nestle, with \$10.4 million. Lesser brands, such as Bigelow, Tetley and Celestial Seasonings, come in with less than \$1 million in measured media.

A growing factor in the overall tea market is the gradual growth in herbal, no-caffeine teas. This area was pioneered by Celestial Seasonings, which has been able to move from health food stores to win shelf space in many supermarkets. The major producers, seeing there is a market, albeit small, have added their own lines, among them Lipton and Bigelow.

Growth in the tea market is seen by most observers as unlikely in the near future. But the development of a desorbate process, held by Procter & Gamble, suggests there is hope of improving instant tea flavor, which could add sales to that segment.

But despite a flat market, Procter & Gamble and Nestle are entering the brewed tea field, P&G with its purchase of Tenderleaf, and Nestle with its first teabag product.

## Lipton

Advertising of teas is dominated by the Thomas J. Lipton Co. which last year spent more than half of the total for the entire tea category. With \$14.7 million, Lipton laid down the biggest tea umbrella, although the brand was outspent in network television by Nestle's Nestea.

Lipton is a multi-media advertiser. In 1982, the brand's creative was seen or heard in all media save for network radio.

Lipton's use of television split funds nearly evenly between network and spot tv, where nearly \$11 million was invested. Creative for Lipton regular teas featured ex-football star and sportscaster Don Meredith in a variety of poolside and courtside settings, where dandy Don relaxed with his glass of iced tea before being recognized by a celebrity hunter.

Tennis star Chris Evert Lloyd is the presenter for convenience teas, shown drinking ice tea between action shorts of serves and returns.

Gerry Boycks, vp-marketing for Lipton, said the two present the essential quality story for the brand.

## Nielsen market share for coffee industry —

De-caf is 17% of the total market  
GROUND (64% of total)

|                       |     |
|-----------------------|-----|
| Maxwell House regular | 24% |
| Folger's              | 24% |
| Private labels        | 15% |
| Brim                  | 4%  |
| Sanka                 | 3%  |
| Yuban                 | 2%  |

The remaining 28% is divided among regional brands, Savarin, Hills Bros., Martinson.

Total General Foods = 34%

INSTANT (36% of total)

|                       |        |
|-----------------------|--------|
| Maxwell House         | 22-23% |
| Folger's              | 12%    |
| Sanka                 | 10%    |
| Taster's Choice       | 9.5%   |
| Nescafe               | 6%     |
| Taster's Choice decaf | 6%     |
| Nescafe decaf         | 2%     |
| High Point decaf      | 5%     |

Total General Foods = 43%

Total Nestle = 24%

Total Folger's = 17%

Boycks is also enthusiastic about the herbal aspect of the tea business. "That market was very small at first, but since we got into it after it was opened by Celestial Seasonings, it has done very well. I'm sure Celestial Seasonings is glad to see us in there with them. But the future of herbals is unknown at the moment in the U.S.

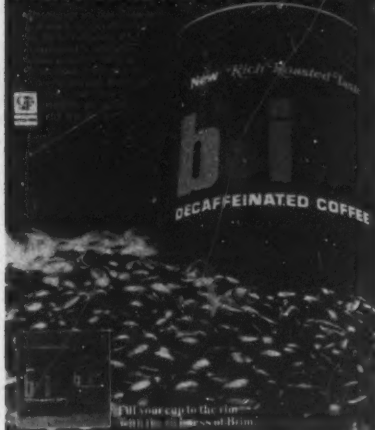
"In Europe, herbals constitute 50% of the business, but that's partially because there is hardly any iced tea served. It was just introduced into Switzerland last year."

In the U.S. Boycks estimates that 80% of the tea consumed in the U.S. is iced, and 20% hot. "That's a transition coffee never had before, from hot to cold, but tea has made it very well," he noted.

## Nestle

Nestle, better known for its various soluble coffees, is also a large factor in the tea market with its Nestea. This brand occupies second place in media spending, and last year put \$10.3 million behind the brand in its various forms.

**Introducing our new rich roasted taste.**



**General Foods' Brim skews to a young, health conscious audience, while Sanka remains the mainstream alternative.**

Most of that advertising was in television, \$7.1 million in network tv, and \$2.9 million in spot television. Newspapers and spot radio were used very sparingly.

This year, network and spot tv were used exclusively, with no print. The reason in addition to the efficiency of the medium was belief at the company and agency that the tv concept for 1983 was "worth putting all our money into."

This year's Nestea campaign focused creatively on water fun at the pool, with Nestea as the chosen beverage for fun and refreshment. It has been described by personnel at J. Walter Thompson as being "very much like a soft drink commercial, but with more humor."

Commercials for Nestea run mostly in second and third quarter, with some token activity in fourth and first quarters.

Meanwhile, Nestle is keeping its first venture into brewed tea under wraps. Tests for the brand's first tea bags are being conducted in several markets, with television and print support.

Nestle is awaiting results before deciding whether to run the new teabag line nationally.

### **Tenderleaf**

This now barely noticed brand bears watching since Procter & Gamble pur-

chased it from Nabisco in November 1982. As usual, P&G is moving slowly with it, and at this point, barely creating a stir.

The brand has been available of late, only in Pennsylvania and Ohio, and will probably stay there for a while.

However, P&G has redesigned the packaging for the brand while leaving the product formula alone. This fall in Cleveland television and newspapers will be used to stress new packaging and a new double chamber bag.

P&G doesn't discuss long term trends for brands, but observers of the company can rest assured that the usual careful testing will be continued before Tenderleaf is moved into an expanded market.

### **Celestial Seasonings**

This adventurous young company created a new tea category a few years ago, and much to the surprise of the industry, Celestial estimates that herbals now account for between 10 to 12% of the market, and are the fastest growing segment of the tea business. Herbal tea sales expanded 100% in 1982, and thus far in 1983, another 35%.

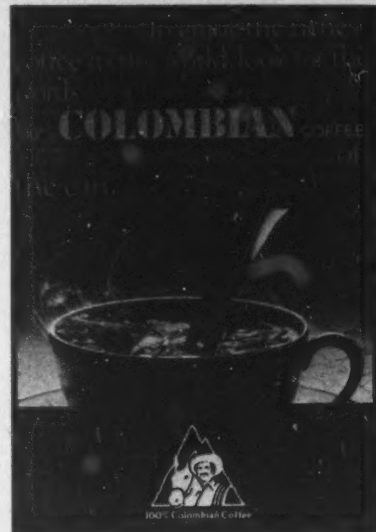
**"Herb tea is the fastest growing category among all dry groceries, representing 10 to 12% of total tea consumption — Rick Sterling, marketing director, Celestial Seasonings."**

Celestial Seasonings credits much of the category expansion to the entry of Lipton into the market, with solid advertising support of its herbal products. The Lipton name legitimized the category while temporarily costing Celestial some market share. But Lipton's campaign is credited with bringing in new users.

Currently, Celestial holds 46% of the market, Lipton 27%, Bigelow 12% and Magic Mountain 10%.

Target audience for Celestial is up-scale, college educated.

Last year, Celestial spent a budget of \$650,000 in magazines. But in 1983, Celestial is experimenting with other media to gain awareness faster, finding that print is better suited to maintenance rather than generating awareness. Spot tv has been added to



**The National Federation of Coffee Growers of Colombia tout their flavorful product, although Brazil continues to be the largest coffee-producing nation.**

the mix, while the magazine list includes women's service books, *Ms.*, *Self* and health-oriented publications.

### **Conclusions**

The issue of caffeine, which is now haunting the soft drink industry, has apparently subsided from controversy to choice for the coffee and tea business. Coffee has confronted the issue with decaffeinated brands and tea is just now addressing it, with herbal teas and decaffeinated regular teas.

After 20 years of declining consumption, coffee has apparently bottomed out, and with the new generic campaign coming in with effective weight, could position coffee as a more contemporary beverage than has been thought of as in the recent past.

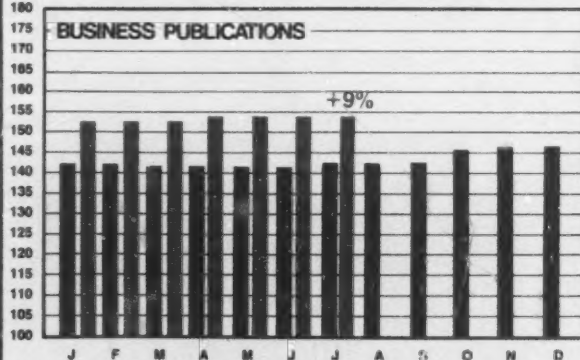
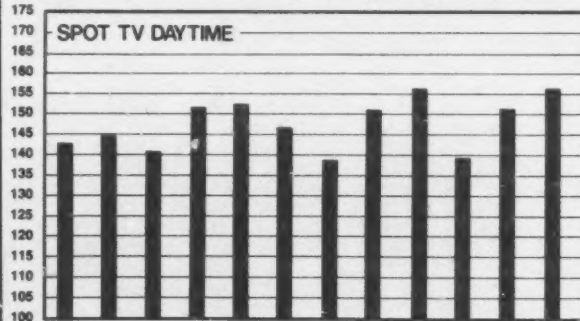
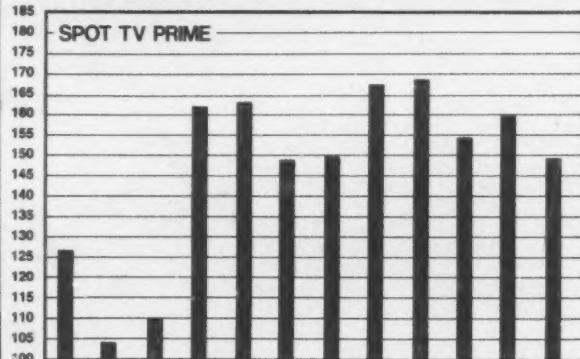
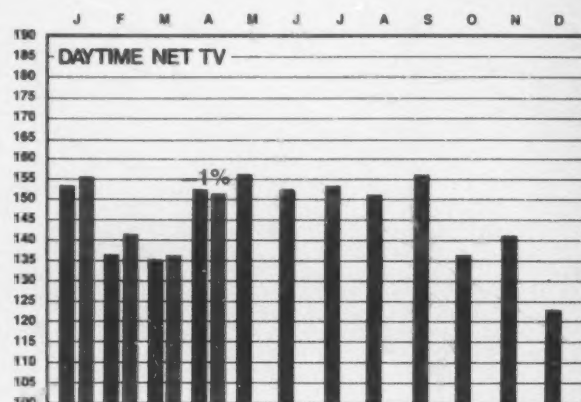
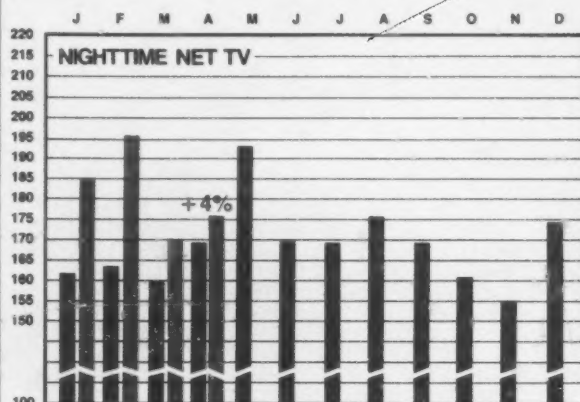
A resurgence in popularity for ground coffee, freshly brewed, is being sensed by coffee marketers, while the convenience of instant coffee, with its flavor deficiencies, looks less attractive to the general public.

Advertising budgets last year didn't increase at the same rate as media inflation, in both coffee and tea categories. Undoubtedly, advertising to sales ratios are being rethought, and budgets will follow sales curves to a greater degree than they have in previous years, when the industry attempted to overcome declining use patterns with increased advertising.



# MEDIA COST INDEX

Black bars index for 1982; color bars 1983; base year 1977



The Cost Index shows comparative data for nighttime network and daytime tv, magazines, newspapers, supps, network radio and outdoor posters. Data for spot prime tv, spot daytime and radio are still unavailable.

Nighttime network tv leveled out further in April, and continued to soften in May (not shown) as the market further softened in the second quarter. Daytime network tv returned from earlier softness with a three percent gain over May in 1982.

Consumer magazines remained on a plateau in May with a continued six percent increase over the same month in 1982.

Daily newspapers also held constant with a 10% increase over April and May in 1982. National supplements built on a strong performance early in the year to post a 13% increase over the previous year.

Outdoor posters were also consistent in their pricing, holding the 10% gain picked up in the previous month.

Network radio, after an exceptionally strong first two months, trailed off to 4% gains in the start of the second quarter.

The Media Cost Index reflects trends extracted from available sources. This analysis uses standard competitive report sources to develop comparable costs that reflect monthly cost trends by medium. Where industry competitive sources are unavailable, selected cost data from SRDS are sampled.

Sources: **Nighttime Network TV** — Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service. **Daytime Network TV** — Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service. **Network Radio** — Cost per average 30-second radio announcement from BAR's Network Radio Service. **Spot TV — prime and daytime** — Cost per 30-second spot, Monday-Sunday from BAR's Spot TV Service.

**Consumer Magazine** estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn. **National supplements** estimate based on published (rate cards) costs of a page, four-color for the national supplements. **Daily Newspapers** estimate based on Newspaper Advertising Bureau report of SRDS costs per agate line of a sample of 788 newspapers weighted to represent the universe. **Business Publications** estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications. **Outdoor Posters** based on estimate prepared by Institute of Outdoor Advertising. Spot Radio data to develop a continuing index are not available at the present.

How to read: Media Cost Index reflects latest available costs compared with base year 1977. Percent change shows rate of change from the same month in previous year.

# MEDIA COST INDEX (continued)

Black bars index for 1982; color bars 1983; base year 1977

